Daily Report

East Europe

FBIS-EEU-93-133
Wednesday
14 July 1993

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FBIS-EEU-93-133 *14 July 1993*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

ALBANIA

Malaysian Prime Minister Meets Tirana Mayor *[ATA]* 1
Mahathir Concerned About Bosnia *[ATA]* 1
Political Leader Jailed for Slandering Berisha *[ATA]* 1
Foreign Investments Needed for Chromium Industry *[ATA]* 1
Statistics Institute Reports on Price Index *[ATA]* 2
Officials Arrested for Smuggling Documents *[AFP]* 2

BULGARIA

Zhelev Inspects Air Force Exercises *[Sofia Radio]* 3
Ministry Protests to Greece About Fuel Tax *[BTA]* 3
Indian Minister Signs Defense Agreement *[BTA]* 3
Transport Minister Views Privatization *[BULGARSKA ARMIYA 8 Jul]* 3
Dailies Comment on U.S. Rejection of Corridor *[BTA]* 4
Dimitrova Claims Zhelev Kept Her Isolated *[OTECHESTVEN VESTNIK 6 Jul]* 5
IMF Experts Assess Embargo Losses *[BTA]* 6
BSP Daily Views Tomov's Walk-Out *[DUMA 8 Jul]* 7
BSP Leader Comments on Civil Alliance *[STANDART NEWS 6 Jul]* 7
Briefing on Financial Difficulties of Railroads *[BTA]* 8

CZECH REPUBLIC

Klaus Explains Reasons for Wage Regulation *[MLADA FRONTA DNES 9 Jul]* 9
Klaus: Response to Slovak Devaluation Not Necessary *[CTK]* 9
KDU-CSL Condemns Klaus Comments on Church *[CTK]* 10
Bishops Criticize Statements *[CTK]* 10
Klaus Defends Comments *[TELEGRAF 10 Jul]* 11
Havel Receives French Foreign Minister *[CTK]* 11
Foreign Minister Zieleniec Views Border Issues *[Prague Radio]* 11
Ministry To Investigate Gulf War Illnesses *[MLADA FRONTA DNES 10 Jul]* 12
Parliament Ratifies Trade Zone Agreement *[HOSPODARSKE NOVINY 9 Jul]* 12
Banks Reflect Slovak Exchange Rate Devaluation *[Bratislava Radio]* 12
Border Police Begin Patrolling Slovak Border *[CTK]* 13
Unemployment Rate Grows Moderately in June *[CTK]* 13
Economic Results for Jan-May Reported *[HOSPODARSKE NOVINY 12 Jul]* 13
Soviet Military Equipment Transits Republic *[Prague Radio]* 15

SLOVAKIA

Ministry Protests Hungarian Decision on Nagymaros Dam *[Bratislava Radio]* 16
Meciar Opposed to Czech-Slovak Border Controls *[Prague Radio]* 16
Meciar Addresses German Businessmen *[HOSPODARSKE NOVINY 9 Jul]* 16
Austrian, Slovak Presidents View Cooperation *[CTK]* 17
Finance Minister on Import Surcharge Issue *[CTK]* 18
Government Returns Law on Names to Parliament *[CTK]* 18

HUNGARY

Jeszenszky Meets With French Foreign Minister *[MTI]* 19
France Supports Hungary's EC Membership *[MTI]* 19

HDF National Board Meeting Ends *[MTI]* 19
Republican Party Chairman Views Party Alliances *[NEPSZAVA 13 Jul]* 20
Report on Trade Links With Ukraine *[Budapest Radio]* 20
Danube Island Residents Prevent Water Diversion *[CTK]* 21

POLAND

ZChN Agrees To Form 'Center-Right' Electoral Committee *[PAP]* 22
Walesa Urges Poles To Vote, Supports BBWR *[Warsaw TV]* 22
Politicians Comment on Walesa's TV Address *[PAP]* 23
Threshold Reduced to 5 Percent for Coalitions *[RZECZPOSPOLITA 13 Jul]* 23
Suchocka, Slovakia's Kovac Discuss Debt Settlement *[PAP]* 24
Goryszewski, Kovac Discuss Reforms *[PAP]* 24
Solidarity Plans Strike in Arms Factories *[PAP]* 25
Defense Minister: Russia Crucial for World Security *[RZECZPOSPOLITA 13 Jul]* 25
Yeltsin: No More Restrictions Against Russia *[RZECZPOSPOLITA 10-11 Jul]* 25

ROMANIA

Iliescu on Relations With Greece *[ROMPRES]* 27
Parties Merge To Form Social Democratic Union *[Bucharest Radio]* 27
Trade Minister Teculescu Discusses Trade *[ADEVARUL 6 Jul]* 27
Labor Ministry Reports 1,036,382 Unemployed *[ROMPRES]* 28

BALKAN CRISIS ROUNDUP

Foreign Media Bulletin: Balkan Crisis 14 July 29

BOSNIA-HERZEGOVINA

Trnovo Falls; Sarajevo 'Open Wide' to Serbs *[Sarajevo Radio]* 30
'Alarming Epidemiological Situation' *[Sarajevo Radio]* 30
UN High Commissioner To Seek Urgent Funding for Sarajevo *[TANJUG]* 30
'Complete Defeat' of Muslims Reported in Mostar *[Zagreb Radio]* 31
Hand-to-Hand Fighting Reported *[TANJUG]* 31
Croats Expelling Hundreds of Muslims *[TANJUG]* 31
Prison Camps Alleged *[Sarajevo Radio]* 32
Sarajevo Radio Reports Maglaj 'Practically Destroyed' *[TANJUG]* 32
Muslim Attacks in Kiseljak; Kresevo Threatened *[Mostar Radio]* 32
Gorazde Attacks Continue; 'All-Out Offensive' Feared *[Sarajevo Radio]* 33
Commentary Analyzing Muslim Military Power *[NEDJELJNA DALMACIJA 30 Jun]* 33
Abdic Criticizes Izetbegovic's Leadership *[DANAS 25 Jun]* 35

CROATIA

HVO Confirms Fighting, Many Casualties in Mostar *[Zagreb Radio]* 39
Letter to UN on Reopening Maslenica Bridge, Airport *[Zagreb TV]* 39
UN Vehicles Stopped in Krajina for Carrying Arms *[TANJUG]* 39
Bosnian Presidency To 'End Clashes' With HVO *[Sarajevo Radio]* 39
Russia's Churkin To Visit Zagreb Friday *[Zagreb Radio]* 40
Anti-Muslim Hysteria in Media Criticized *[DANAS 25 Jun]* 40

SLOVENIA

Peterle Rejects 'Public Polemics' by Valentic *[Ljubljana Radio]* 42
SLS Rejects Unification With Christian Democrats *[Ljubljana Radio]* 42
Interior Minister Admits Nation's Arms Smuggling *[TANJUG]* 42

YUGOSLAVIA

Federal

Milosevic Conditions FRY, CSCE Cooperation *[TANJUG]* 43
Report Views Results of G-7 Summit in Tokyo *[BORBA 9 Jul]* 43
Official Denies Suspending CSCE Mission *[Belgrade TV]* 44

Serbia

Minister Expects 3.6-Million-Ton Wheat Yield *[Belgrade Radio]* 45

Kosovo

Albanian Prisoners Begin Hunger Strike *[KOSOVA DAILY REPORT]* 45
Economy 'Suffered Great Losses' This Year *[ATA]* 45

Malaysian Prime Minister Meets Tirana Mayor

AU1407091593 Tirana ATA in English 0826 GMT 14 Jul 93

[Text] Tirana, July 14 (ATA)—In the course of his visit to Albania, on July 14 before noon, the prime minister of Malaysia, Mr. Mahathir and his wife were received by the mayor of Tirana municipality, Sali Kelmendi.

After wishing welcome to the prime minister of Malaysia, Tirana's mayor said that Mr. Mahathir is declared Tirana's citizen of honour. "This is not only a sign of respect for your feelings towards the Albanian people, but also a sign of respect for the Malaysian people," he said.

The prime minister of Malaysia said that to be Tirana's citizen of honour is not only his delight but also of the whole people of Malaysia. If Malaysia will do something for Albania and the Albanian people, of which I am sure, I certainly will be one of the main supporters.

Later, the talk focused on the concrete possibilities existing for the promotion of cooperation between Tirana and Kuala Lumpur and the exchange of experience between various specialists.

In continuation, the prime minister of Malaysia visited the mosque of Hetem Beu in Tirana's centre, where he was received by His Holiness Haxhi Hafiz Sabri Koci, chairman of the Albanian Islamic community. The Malaysian prime minister showed interest in the history of this mosque and the fact how it managed to escape the destruction of the monuments of the cult by the communist regime.

The prime minister of Malaysia also walked down to Tirana's centre, and familiarized himself with the town planning, the development of trade and the capital's building perspective.

At 10.00 hrs [0800 GMT], the prime minister of Malaysia, Mahathir and the Albanian prime minister, Meksi, gave a joint press conference, later, Prime Minister Mahathir left Albania.

Mahathir Concerned About Bosnia

AU1407093593 Tirana ATA in English 0831 14 Jul 93

[Text] Tirana, July 14 (ATA)—Jerina Zaloshnja writes: In the end of the visit of the prime minister of Malaysia, Mahathir, in Albania, a press conference was given by him and Prime Minister Meksi.

According to Mr. Mahathir, his visit is a support for Albania, that is facing a crucial moment, like Malaysia before the declaration of independence. Mr. Mahathir involved in a greater political and economic cooperation with Albania in the future. In regard to the Albanian official emigration in Malaysia, he said that they would see to the possibility of employing Albanian skilful workers in Malaysia.

Prime Minister Meksi said that negotiations concentrated on problems of mutual interest, including the cooperation to settle the crisis in the Balkans and bilateral relations as well.

In reply to the questions of the reporters, the prime minister of Malaysia expressed the worry over the withdrawal of UN forces from Bosnia-Herzegovina. He assured that "In case the withdrawal of these forces will continue, then the members of the islamic conference and we, will replace them with our troops," because according to him "There is religious persecution of the inhabitants in Bosnia." The Malaysian prime minister anticipated that this persecution may also stretch to the other Balkan countries.

In regard to the establishment of peace in Bosnia, Mr. Mahathir expressed reserves for not approving the lifting of arms embargo for the muslims of Bosnia. He said that "We have no special peace plan for Bosnia, but we are forced to replace the blue hats with islamic troops in case of withdrawal."

Political Leader Jailed for Slandering Berisha

AU1307170393 Tirana ATA in English 1015 GMT 13 Jul 93

[Text] Tirana, July 13 (ATA)—On July 12, the jury of Tirana Court passed the verdict for the penal case against the defendant Idajet Beqiri, leader of the Party of the National Unity of Albania, based on the charge of the attorney of Tirana.

The court declared him guilty for the offence of offending and slandering against the president of the republic and according to the respective article of Penal Code sentenced him to six months imprisonment.

Foreign Investments Needed for Chromium Industry

AU1407134693 Tirana ATA in English 1004 GMT 14 Jul 93

[Text] Tirana, July 14 (ATA)—One of the greatest resources of the Albanian economy, chrome extraction and processing, successfully adjusted to the market economy, orientating it to the quality and requirements of the market economy.

By decision of the Ministry of Industry and Mining and Energy Resources, the chrome producers conduct export-activity. Competition in the world market sets the imperative duty of updating the technology of chrome mines, factories, and plants, and this cannot be done with the current financial sources of the chrome community.

Foreign investments in this field would be a suitable solution, says the director of the Chrome Corporation at the respective ministry.

However, under the current circumstances it is intended at developing intensive foreign cooperation. In this context efforts are made to establish joint ventures with the big Italian, Austrian, Japanese, European, and South African firms. Also the World Bank and the European Bank are involved in this activity.

Presently we are at the moment of estimating and comparing the offers and soon the documents will be submitted to the government, the director of the Chrome Corporation concluded.

Statistics Institute Reports on Price Index

AU1307170593 Tirana ATA in English 1008 GMT 12 Jul 93

[Text] Tirana, July 12 (ATA)—According to the Institute of Statistics, the index of prices of consumption in June 1993 as compared with December 1990, was 768.2 percent, with an increase of 0.1 percent as against May. Compared with June 1992, this index has increased 116.9 percent.

In June, the prices of food have reduced to 0.2 percent as compared with the previous month. During the last month, price risings have been registered for goods such as flour 9.4 percent, beef 4.7 percent, powdered milk 4.3 percent, while the prices of rice have reduced.

During June 1993, the index of prices of the house rent, water supply, fuel and energy has increased 4.3 percent as against last month.

The Institute of Statistics also reports that if average prices of some main articles of consumption in June 1993 are compared with those of December 1992, it comes out that only a few of them have had a reduction of prices, most of the articles have registered a price increase, such as flour, meat, fresh milk, etc.

Officials Arrested for Smuggling Documents

AU1307170793 Paris AFP in English 1317 GMT 13 Jul 93

[Text] TIRANA, July 13 (AFP)—Albanian police have arrested two senior officials trying to smuggle secret Communist Party documents to France.

Luan Maltezi, head of the National Record Office, and Nezira Mita, his counterpart for the capital's archives, were picked up at Tirana airport on Sunday [11 July]. The arrests were confirmed Tuesday by Azem Hajdari, chairman of parliament's Public Safety Committee.

Police gave no details, but well-informed sources said the secret documents included files from the Italian embassy for 1942-1943, which the retreating Italians failed to salvage, and papers for 1943-1946 on Albanian relations with the rest of Europe, both east and west.

The sources said there were also files on a network of informers operating in western Europe for the Albanian Communist Party, which ruled here for 45 years.

Zhelev Inspects Air Force Exercises

AU1307141893 Sofia Khorizont Radio Network in Bulgarian 1300 GMT 13 Jul 93

[Report by Plovdiv Radio correspondent Ana Telieva]

[Text] [Announcer] President Zhelyu Zhelev visited the military testing ground at the village of Koren in the Khaskovo area to inspect the exercises of the Composite [smesen] Air Corps from Plovdiv. Let us hear the details from our colleague Ana Telieva, a Plovdiv Radio reporter:

[Telieva] Dr. Zhelev was accompanied by his military advisers, which included Army General Lyuben Petrov, chief of the Bulgarian Army's General Staff; Lieutenant General Mikho Mikhov, commander in chief of the Air Force; and numerous officers.

In connection with the objectives of his visit to Koren today, the president stated as follows:

[Begin Zhelev reocrding] I came to observe the training of the Air Corps, which is important considering the difficult conditions under which our Air Force and the Bulgarian Army as a whole are obliged to work, considering the operational restrictions and the self-sacrifices to which the pilots are subject. Under such circumstances it is very important to monitor the level of their training.

Another reason I came here is to get personally acquainted with these young people, to hear them talking about their own problems, to learn about their needs and their opinions. Generally speaking, I am optimistic about the capability of our Air Force to protect the sovereignty and territorial integrity of our homeland. [end recording]

[Telieva] At the end of the military exercises, Dr. Zhelyu Zhelev and Army General Lyuben Petrov talked to the officers of the Air Corps. They discussed the necessity of adopting the necessary legislation on Army personnel and on its status and dwelled on the problems of technical equipment and rearmament of the Air Force, and on the professional careers of the pilots after their contracts with the Air Force have expired.

As far as the adoption of the legislation on Army personnel is concerned, the president pointed out that after passing the package of legal acts on taxation and finance, the bills on national security will be submitted to parliament.

According to Army General Lyuben Petrov, because of the current financial difficulties, no new technical equipment is expected to be purchased, at least not in 1993, while spare parts will be supplied from Russia and Ukraine.

Ministry Protests to Greece About Fuel Tax

AU1307120393 Sofia BTA in English 1055 GMT 13 Jul 93

[Text] Sofia, July 13 (BTA)—The Greek side unilaterally imposed taxes on the fuel in the tanks of Bulgarian TIR [International Road Transport] trucks entering Greece, the Transport Ministry and some of the media reported. In this connection the Bulgarian Foreign Ministry presented a demarche to a representative of the Greek Embassy. The Bulgarian side expressed its surprise at the fact that the taxes were imposed unilaterally without prior notice and asked the Greek Government to state its official position, the Foreign Ministry's Press Office said.

The Bulgarian Embassy in Athens was instructed to clear up the case.

Indian Minister Signs Defense Agreement

AU1307150793 Sofia BTA in English 1359 GMT 13 Jul 93

[Text] Sofia, July 13 (BTA)—Bulgarian Defence Minister Valentin Aleksandrov and the minister of state for defence of India, M. Mallikarjun, who arrived on a formal visit to Sofia last night, today signed a memorandum on cooperation between the Defence Ministries of Bulgaria and India.

The memorandum sets the framework for future military-economic and military-technological cooperation between Bulgaria and India. A mixed committee for the promotion of contacts in the military field will be set up to specify the spheres of cooperation.

At the talks with Mr. Aleksandrov, the Bulgarian delegation showed interest in Bulgaria's capacities to manufacture spares for military aircraft, Deputy Defence Minister Khristo Tomov said.

Mr. Mallikarjun today was received by Prime Minister Lyuben Berov. Mr. Berov expressed Bulgaria's willingness to cooperate with India in other spheres of the economy and public life, in transport, banking and direct contacts between manufacturers and traders, the Government Press Office reported. According to Mr. Berov, the promotion of economic, military and cultural ties between Bulgaria and India will substantially benefit the democratic processes in the two countries.

The visit of the Indian delegation to Sofia will end on July 16.

Transport Minister Views Privatization

AU1307130693 Sofia BULGARSKA ARMIYA in Bulgarian 8 Jul 93 pp 1, 3

[Interview with Transportation Minister Kiril Ermenkov by Stoyan Petrov; place and date not given: "Transportation Troops Have Their Own Worthy Place in Society"]

[Excerpts] Problems in the transportation field, structural problems, privatization, and big transportation projects are appropriate topics to discuss with Transportation Minister Kiril Ermenkov. In his view, the ministry has already defined the priorities in its work. The work on restructuring the Bulgarian State Railways is nearing its conclusion, and the second phase of the project is expected to be completed in September this year.

In this context, the ministry is hampered by the lack of a law to define the status of the state railways and regulate their mutual relations with the state. As a consequence of the decentralization in the transportation sector, the country now has 327 companies and associations engaged in transportation activities. According to Minister Ermenkov, in general, the privatization process is proceeding normally. He emphasized that he is opposed to accelerating the process artificially. At the moment the privatization efforts are mainly directed toward the structure-determining units, such as Balkan Airlines, SOMAT [International Road Transport Economic Trust], and the Bulgarian maritime and river fleets, in which denationalization has reached an advanced stage. A further 53 transport firms and companies are in the process of privatization. [passage omitted]

Minister Ermenkov said that his ministry's most severe difficulties stem from the losses caused by the embargo on the former Yugoslavia, which are running at 150,000 leva per day for all forms of transportation.

I asked Minister Kiril Ermenkov to shed a little light on the inspection carried out at the Todor Kableshkov Higher Transportation School, which has been reported in certain newspapers.

[Ermenkov] The materials concerning certain violations committed by the school's director Major General Stefan Buchvarov were submitted to the National Assembly. The National Security Commission and the Transportation Commission have discussed them for three or four months, but their findings are extremely short on details. Two weeks ago, a meeting was held with President Zhelyu Zhelev that was attended by the persons asked to investigate the case. At this meeting we agreed to set up a joint working group, including independent experts, to check on the tipoffs that we have received. [passage omitted] Unfortunately, the Council of Ministers took a long time to prepare the order on setting up the group, so that I saw it only on Monday 5 July. Prior to this, I had arranged with Major Gen. Buchvarov to form a group of the normal type to check on the tips and documents at the school, with a view to analyzing them and establishing their authenticity. I am not prepared to give any assessment at this stage, but I have already signed an order to remove the school director, who in the meantime has applied for leave so as to create more normal conditions for carrying out a comprehensive inspection. [passage omitted]

[Petrov] My second question to Minister Ermenkov was: Are there any financial questions outstanding between Bulgarian State Railways and the command of the transportation troops, and what are the prospects for these troops in the future?

Minister Ermenkov stated the view that no differences exist between the two leaderships, except for certain misunderstandings regarding payments for the troops' work that had arisen because of the serious financial position of the Bulgarian State Railways.

[Ermenkov] We have reached an arrangement, and these payments will be effected within the relevant deadlines. We also envision that the transportation troops will take part in some of our transport projects, such as the construction of the Vidin-Sofia-Kulata-Thessaloniki corridor. As regards the need for their participation, we consider that they are the only formation that has been created within the transportation system, and they are unique in Europe. It has been proved that they are essential for the work of developing our transportation infrastructure, and they hold a worthy place in our system today.

Dailies Comment on U.S. Rejection of Corridor

AU1307121193 Sofia BTA in English 0926 GMT 13 Jul 93

[From BTA press review]

[Text] Sofia, July 13 (BTA)—The dailies comment on the U.S. Administration's rejection of Bulgaria's request for a transit transport corridor across the former Yugoslavia. It became known after yesterday's meeting between Prime Minister Lyuben Berov and U.S. Ambassador Hugh Kenneth Hill. "It was only to just... to request a transit corridor of the United Nations. It may be hard to put into practice but it is the only real solution for this country.... The Americans, being far from the Balkans, do not take Bulgaria's problems seriously," says a commentary in KONTINENT.

STANDART NEWS asks whether the great powers will help finance an alternative project for a trans-Balkan corridor across Macedonia and Albania to the Adriatic region (for which a memorandum was signed two days ago), "after they magnanimously left the drowning to their own resources." In a letter to Prof. Berov, Yugoslav Prime Minister Radoje Kontic stresses Belgrade supports the idea of granting Bulgaria a transport corridor. However, the Bulgarian Embassy in Serbia rules out the possibility of negotiating a Bulgarian-Serb agreement circumventing the Security Council, says TRUD. A headline in PODKREPA runs "Road to Europe Closes." The dailies quote First Deputy Foreign Minister Valentin Gatsinski, who said Bulgaria was not surprised at the U.S. rejection of its request. We are going to put forward new initiatives before the Security Council, Mr. Gatsinski said, according to 24 CHASA.

Bulgaria will impose limits on the amount of fuel carried by Greek TIR [International Road Transport] trucks

entering this country if it turns out Athens acted inadequately imposing a limit on Bulgarian hauliers, Transport Minister Kiril Ermenkov said yesterday, according to 24 CHASA. Last Thursday Athens introduced taxes on the fuel in the tanks of Bulgarian trucks without prior notice.

Dimitrova Claims Zhelev Kept Her Isolated

AU1207134693 Sofia OTECHESTVEN VESTNIK in Bulgarian 6 Jul 93 pp 1, 2

[Interview with former Vice President Blaga Dimitrova by Nevan Kopandanova in Sofia, "on her last working day as vice president": "I Was Completely Isolated"]

[Excerpts] [Passage omitted] [Kopandanova] It is known that you did not resign on impulse, but that several times previously you had been on the point of resigning because of disagreements with Dr. Zhelev. Thus, you acted differently from your predecessor General Semerdzhiev, for example. Did you have any preliminary agreement with Dr. Zhelev on what powers you would be given?

[Dimitrova] Yes, I did. Being aware of my interests, he assigned me to deal with cultural and social affairs, especially the problems of the family and care for orphans. However, if you can imagine, I never knew what was happening behind those walls. People would ask me things and, as if I were a passerby in the street, I found to my amazement that people outside knew more than I did about what was happening here. Some people say that I am an understudy, figuratively speaking, and should meekly wait and keep quiet. This is true, but the understudy has to stand by and carefully watch the play in case, God forbid, something should happen to the leading actor, so as to be able to spring into the breach and continue the action when the moment comes. However, I was kept in the dark, in complete ignorance. Just imagine what would happen if, God forbid, I was suddenly brought out of the darkness and told: Come on, get on with it and continue the play. I had never had any access whatsoever either to the National Security Commission or to the conferences that Dr. Zhelev held here. He did not allow me to take part in any of the talks held with parliamentary and extraparliamentary parties. He did not allow me access to the negotiations on foreign treaties, even in the sphere of cultural relations. To this day I do not know what was discussed there. I had no access to ordinary meetings with ambassadors, even at the New Year reception. This was tantamount to ignoring me and isolating me completely from all political and state activities.

[Kopandanova] Did you ever try to change this state of affairs?

[Dimitrova] Yes, of course, although I felt very awkward about it. I approached him many times, in a discreet way of course, because Dr. Zhelev and I are friends and remain so, and asked him why this was so. You know, he never gave a direct reply. I must mention something else, in connection with my social work. My colleagues and I spent many months preparing materials on the Bulgarian family. We suddenly heard, from the press and the television, if you please, that the president had invited Emiliya Maslarova and other figures to a conference on family affairs, yet he had not even mentioned this to me or my colleagues, the very people who were dealing with these problems. We worked for months on research in this field, yet we were ignored.

[Kopandanova] What do you think is the reason for this isolation?

[Dimitrova] I do not know; ask the president.

[Kopandanova] Yet, before the elections, he had said that you were his ideal "partner." Was there any rift between you subsequently?

[Dimitrova] No, none whatsoever. I believe (it is my guess) that people came between us who deliberately wanted to cause a split between us. This is a well-known practice in the corridors of power, unfortunately....

[Kopandanova] Did he never consult you or seek your opinion on any issues?

[Dimitrova] No, never. I tried tactfully, not to offer advice, but merely to express a view, especially before his last television broadcast, when he threatened to resort to all the means at his disposal to calm the situation down. This statement was contrary to his true nature. It seemed that a different person was speaking; I do not know who. Before he made the statement, my husband and I went to see him as friends and told him of our alarm, suggesting that he might offer his hand to Edvin Sugarev. Dr. Zhelev could have ended this confrontation by making a single gesture, everything lay in his hands. We chatted in a really friendly atmosphere, just like old times. Yet that evening he made his statement on television and added fuel to the fire. This meant that he did not heed my words, my sisterly advice, but was influenced by other, stronger voices, though whose I do not know.

[Kopandanova] People say that his advisers kept him completely isolated from the outside world....

[Dimitrova] I do not know what went on on the other side of this wall. [passage omitted]

[Kopandanova] In your resignation letter you mentioned the initial symptoms of a dictatorship. What grounds do you have for this?

[Dimitrova] You journalists ask me this? What does the entry of armed police into the television building mean? This is nothing but the start of rule by dictate. The threats made by the prime minister in his statements and, unfortunately, the threats implied in the president's speech mean the same thing. What about the batons that were brought into play outside parliament? Think of the dismissals of the journalists in television and the BTA—people who are some of the best professionals, as you well know yourself. The dismissals at different levels in

the administration imply the same thing. These dismissals remind me of purges. Are these not signs of dictatorship? [passage omitted]

[Kopandanova] Did you expect some gesture from Dr. Zhelev when you submitted your resignation, such as him following your example?

[Dimitrova] No, this should not happen under any circumstances! The presidential institution must stand firmly in place during this difficult period. The only thing that I advocate is early elections. We are a parliamentary republic, not a presidential republic, as some people want to turn Bulgaria into. Elections must be held, and they will decide the further course of the democratic processes in our country. [passage omitted]

[Kopandanova] Do you believe that the supporters of lies in Bulgaria outnumber the supporters of truth?

[Dimitrova] Numbers are not important here. It is enough to have people like Edvin Sugarev and Binyo Ivanov, and however many others besides, whose names we do not mention. Is this a small number? They are also raising the spirit of the younger generation. They already have support, and they know that this nation has people who are prepared to die for the truth. I am proud that these people are poets. [passage omitted]

IMF Experts Assess Embargo Losses

AU1307083893 Sofia BTA in English 2011 GMT 12 Jul 93

["Today"—BTA lead]

[Excerpt] Sofia, July 12 (BTA)—Mr. M. Mallikarjun, minister of state for defence of India, is expect to arrive in Sofia tonight on an official visit at the invitation of Bulgarian Defence Minister Valentin Aleksandrov. The Defence Ministry Press Centre said the sides will consider matters concerning military and military-economic cooperation and will hold negotiations to sign an agreement on cooperation between the two countries' Defence Ministries.

At the Council of Ministers today, IMF experts and the Government Sanctions Commission held a working meeting on the methods of evaluation of Bulgaria's losses arising from the strict application of the embargo against FRY (Serbia and Montenegro). As is known, the UN Sanctions Committee has asked the international financial institutions, including the IMF, to find a way of assisting Bulgaria to mitigate its specific economic problems resulting from the observance of the sanctions.

At its meeting today, the Council of Ministers set ceiling prices on liquid fuel, effective July 16. A-98 and A-86 petrol will be 0.20 leva cheaper. The prices of the rest of the fuels remain unchanged.

The split of the Nikola Petkov Bulgarian Agrarian Party affiliated to the Union of Democratic Forces (SDS) at Saturday's extraordinary congress of the Agrarian Party was commented on today by leaders of other agrarian formations, which already number ten in Bulgaria. According to Mr. Milan Drenchev, chief secretary of the Nikola Petkov Bulgarian Agrarian Party outside the SDS, infighting and right-wing pressure within the SDS are at the bottom of the split. Mr. Vladislav Kostov, member of the Executive Council of the SDS-affiliated Nikola Petkov Party, described yesterday's congress as a farce. According to Mr. Kostov, the delegates of the congress were fewer than the required minimum for holding a congress and that was a gathering of people with bossist ambitions. Another representative of the formation's leadership said that they will refer the matter to court.

The extraparliamentary Bulgarian Social Democratic Party said at its regular news conference today that early parliamentary elections can be held early next summer. According to the party's Chief Secretary Stefan Radoslavov, the same opinion was expressed when President Zhelyu Zhelev met with him and with Green Party leader Aleksandur Karakachanov last week. They also shared the opinion that elections should be held on a reasonable schedule so that they could produce a parliament of new qualities.

Private Stoyan Dobrev Ivanov, assistant grenadier in 1st Infantry Platoon of Company C of the Bulgarian infantry battalion within the UN peacekeeping forces in Cambodia, died at Checkpoint 3 on the Cambodian-Vietnamese border at 2100 hours on July 11, the Defence Ministry Press Centre said. According to preliminary reports and eyewitness accounts, Private Ivanov probably committed suicide. The UNTAC [UN Transitional Authority in Cambodia] authorities and a battalion commission are holding an inquest.

The line of TIR [international road transport] trucks, which has formed in the last few days at the Kulata Checkpoint on Bulgaria's border with Greece, after Greece introduced extra taxes on the fuel in the tanks of trucks entering Greece, was shorter today, the local BTA correspondent reported. Surprised and discontented with the Greek move, Bulgarian truckers have so far taken no protest action to obstruct the traffic.

The line of trucks waiting to cross the Danube into Romania at Vidin (northwestern Bulgaria) is 1.5-2 km long, and on the opposite bank, at Calafat, the line is 7 km long. The trucks wait less than 24 hours at Vidin, and motor cars are ferried after a 2-hour wait. An average 400 to 500 cars cross the river daily in both directions, checkpoint chief Slavcho Georgiev was quoted as saying by BTA's Vidin correspondent. The traffic across the two checkpoints on the border with Serbia in the area of Vidin is as usual, between 800 and 1,800 passengers, mostly Serbian citizens. [passage omitted]

BSP Daily Views Tomov's Walk-Out

AU1307083493 Sofia DUMA in Bulgarian 8 Jul 93 p 8

[Stefan Prodev untitled article, under the rubric: "We Are Here Again"]

[Text] Today we publish a long-awaited letter from Mr. Aleksandur Tomov to the members of the Bulgarian Socialist Party [BSP] Supreme Council and to the DUMA Editorial Board. The message is sufficiently clear and does not require special comment. One of us has decided that he can find his political fortune outside the Socialist Party's ranks. According to Mr. Tomov, the reason for his final and decisive step is not related to his own personality, but rather is connected with the party to which he formerly belonged and which he considers responsible for his decision. There is nothing new about this. In practical everyday politics the fault is not always looked for where it should be. The one who is the first to sever his umbilical cord with the party would not only like to appear just, but also logical; namely he would like people to believe that he was provoked. He would like to leave a clean trail behind him. This is the nature of all those whose actions are likely to evoke embarrassment and doubt.

I cannot say that Mr. Tomov is not right in some of his evaluations and conclusions. The questions he is raising have long since been a cause of concern for many of us. In its long renewal the BSP not only committed some mistakes, but has also retreated from some of its formerly declared positions. Life proved more complicated and stronger than some of our views and decisions. In this respect the "comrade" who is leaving us in order to become a "Mister" has touched upon certain things which deeply concern us. Like him, thousands of others are asking them the same questions and, like him, they are searching for the right answer. Only, unlike Mr. Tomov, they do not seek a way out of their problems in rejecting the political force that has created and educated them. They do not shun their commitment toward this party. They do not oppose it to their personal ambitions. Their conflict is simply part of the common conflict involving many of us, which although it may be painful, does not end in divorce.

I can already openly declare that Tomov's uncertainties and his behavior under various circumstances inside and outside the party have always tried my patience. The agony of his final decision was too long and too painfully protracted. This neither offends me nor concerns me, because I have always placed my faith in a sensible man above his fears and his personal foul play . Nevertheless, when the foul play prevails over his will and he is defeated by his own weakness or by his own deceptions, I cannot help but feel distressed. This is the case today. Mr. Aleksandur Tomov did not understand that his choice, no matter how impressive, is nevertheless not quite moral. He is abandoning the BSP in a difficult moment. Willingly or unwillingly, he is placing his own interests above the interests of the party. In politics, regardless of one's motivations and personal problems, this is called shunning responsibility, or treason—to put it more precisely. Unfortunately, this is exactly what our hero has done. He created useful things, but he could not overcome his personal ambition and greed for prosperity and success. The egotism of the politician that he carries deep in his soul, prevailed over the human being.

I would like to advise all those who will be disappointed with Aleksandur Tomov, not to make a tragedy out of his desertion from the BSP. At times like this, such an action is understandable. It cannot be justified, of course. It is the action of an individual who is undoubtedly placing his own interests over those of others. Such an individual is eager to achieve his ambitions irrespective of his commitment. This is the secret of Tomov's inexhaustible energies, but it is also his tragedy. I would not like to pose as a prophet, but I am certain that Mr. Tomov is not only trying to escape from the BSP, he is trying to escape from himself. He is seeking his fortune in places where he will hardly find response and understanding. The world of politics is a merciless world which takes advantage of the ambitions, but hardly ever rewards them, even if their ambition tries to appear benevolent and wise.

BSP Leader Comments on Civil Alliance

AU1207111393 Sofia STANDART NEWS in Bulgarian 6 Jul 93 p 6

[Interview with Zhan Videnov, chairman of Supreme Council of Bulgarian Socialist Party BSP, by Eva Marinova; place and date not given: "Civil Alliance for the Republic Is No Problem for BSP"]

[Text] [Marinova] Aleksandur Tomov has declared that he will hand you a letter stating the reasons why he has finally decided to leave the BSP [Bulgarian Socialist Party]. Have you any comment to make on this?

[Videnov] The appearance of a new political structure requires the support of society, which should feel a real need for it. The GOR [Civil Alliance for the Republic] is not a problem for the BSP; it introduces nothing new into the shape of the political structure, but simply fills a niche. New political initiatives cannot establish themselves by rejecting the entire political spectrum that existed previously. Unfortunately, the GOR is trying to do just this, without any motive or reason. Aleksandur Tomov will leave the BSP on his own, or will take only a few people with him. To do this, he does not need authorization or permission from the Supreme Council or from the parliamentary group. He had every opportunity to achieve his ambitious political goals within the BSP. In my view, Tomov's decision is a matter for him personally, and it is unlikely to help his future career.

[Marinova] Is it purely fortuitous that at the very moment that Tomov left the BSP, the BSDP [Bulgarian Social Democratic Party] sought to make contact with BSP defectors?

[Videnov] This coincidence between the initiatives of the GOR and BSDP is no accident, bearing in mind that the Social Democrats are trying to establish close contacts with politicians and organizations that have dissociated themselves from the BSP. At the same time, I see no particular prospects for the BSDP, which is surrounding itself with such people, and I can discover no logic in Dr. Dertliev's wish to destroy the BSP. Tomov's rank in the BSDP will be that of an acolyte.

[Marinova] Tomov has accused the BSP of entering into an agreement with the extreme right wing of the SDS [Union of Democratic Forces] to prepare for early elections with two party ballot papers. Have any such talks been held?

[Videnov] Nothing more than routine talks between the parliamentary groups. The BSP has something to gain from a consolidated and extremist SDS, but our aim is to ensure that the SDS does not remain a sect of saboteurs or a permanent blocking force. Our talks with SDS representatives are just as ethical as the negotiations between the SDS and the DPS [Rights and Freedoms Movement] and between the SDS and the BZNS [Bulgarian National Agrarian Union]. The assumptions of "secret conspiracies" are frivolous, to say the least, because the early elections explanation depends on at least two factors: a pre-election situation, which does not exist, and a government crisis, which is also lacking. In any case, the BSP long ago concluded that the bipolar model is ineffective and mistaken. If the SDS does have some interest in it, it does not coincide with the BSP's view.

Briefing on Financial Difficulties of Railroads

AU1407061093 Sofia BTA in English 1742 GMT 13 Jul 93

[Text] Sofia, July 13 (BTA)—The dire financial straits of the Bulgarian State Railways (BDZ), the national railway carrier, which made it impossible to pay wages, and the subsequent tension with the trade unions were major topics at today's news briefing given by BDZ Director-General Atanas Tonev.

Mr. Tonev cited the 1,051,330,000 leva in unpaid loans in 1992, including government loans, the 18 million U.S. dollars in foreign debt payments and the accrued interest as major reasons for the financial difficulties. To regain its foreign markets, the BDZ had to pay over 400 million dollars in penalty interests, Mr. Tonev said. The company should have received 898 million leva of the 1,523 million leva budgeted by the government for 1993 by June. Yet it has received only half that amount, or 452 million leva. Mr. Tonev said losses sustained as a result of the implemention of the embargo on the former Yugoslavia (which now amount to 130 million leva and are growing) were "the knock-out blow" on the company.

As a result, the company has paid its employees by April only and starts paying may wages only tomorrow. The members of the Podkrepa Labor Confederation have filed protest declarations, the director-general said.

The management and trade unions have scheduled negotiations for July 15 and Mr. Tonev Hopes the protest actions will be called off. The ball is with the government, which has been called on to urgently renew the disbursement of budget allocations and take care of the bad debts and embargo-related losses. According to an alternative scheme, the government could guarantee a 600 million leva new loan to be repaid in 1995, Mr. Tonev said.

Klaus Explains Reasons for Wage Regulation

AU1307084193 Prague MLADA FRONTA DNES in Czech 9 Jul 93 p 6

[Vaclav Klaus article: "On Wage Regulation, Once Again"]

[Text] The government's decision to reintroduce a certain form of wage regulation provoked no small number of reactions. Let us summarize some of the principal issues and contribute to a rational and nonpolitical description of the entire problem. In their reaction, some critics fail to appreciate some important points and are taking individual peculiarities out of context. Let us mention several basic postulates:

1. Wages (we are speaking about average wages) have been increasing disproportionately quickly in 1993. Disproportionately—not to the wage level of neighboring countries, or to what we would like see to be the average wage, but disproportionately to what the economy and individual enterprises (they, above all) are actually producing. If we are paying more money in wages than we can produce, the only result possible is inflation. This is an acknowledged fact. As far as I know, not one of the government-implemented wage regulation critics has even started to cast doubt on it.

2. In a liberalized, deregulated, and real market economy, based on firmly defined and stable ownership relations and high quality (that is, nonmonopolistic) markets, any regulatory intervention would be an error, and represents a violation of the basic principles of the functioning of society. This fact has not been questioned either, except by those leftist parties who do not want such a society and economy.

The thing is that in a free economy there is not the slightest reason for wages to grow in an disproportionate manner. If they do grow disproportionately, then some of the basic regulatory—self-regulatory, in fact—mechanisms of this economy have failed to function. Enterprises are not behaving rationally, the labor market does not function, trade unions are playing the card of a monopolistic participant in that market, the state is behaving irrationally, banks are releasing too much money into the economy, and so forth. So we have a basic problem here. Should we wait until everything settles down and come to terms with the inflationary spiral, believing that rationality will find a way to assert itself in the long run, or should we provide certain regulatory element from the outside [the economy]? The government has been hesitating for a long time, and since it fears inflation (as does the overwhelming majority of our citizens), it has opted for this temporary solution. The government fears inflation most of all because it can be stopped only by taking drastic steps in budgetary and monetary policy, steps whose effects would cause production decline and a rise in unemployment. This is what the government wants to avoid.

Now, let us explain the chosen regulation formuls and the fact that this procedure is not that strict and discriminatory.

It would be an insensitive intervention if we said that we would punish, by taxes, everyone who has increased wages by a certain percentage in 1993 as compared to 1992. This would be nonsense, and it would return the economy to the false social system of the past regime. This is not what we want. If the enterprise collected more money for its products in 1993 than last year, then it may increase wages by the same proportion, provided they meet the standard:

Wages in 1993 are less or equal to wages in 1992, times 1993 wages and divided by 1992 wages.

I do not understand Mr. Uhlir and other trade union leaders, I really do not. An enterprise that increases its sales by 100 percent can increase its wages by 100 percent! Is this discrimination? In my opinion this is merely an excuse of ours, the people: Whoever increases wages by 50 percent, when sales are up 10 percent, should get the signal that he is doing something wrong. The line of thinking of Jan Kudlacek from the Civic Democratic Alliance, saying that enterprises should know about these things and it is not necessary to take them by hand, is not adequate. Maybe, they do not know it, maybe they are not interested in it in the short run, or they do not have the strength to defend their positions in bargaining with the trade unions.

This is not all. Let us assume that an enterprise has other reasons for increasing wages. For example, it has a short term expansive program, which will come into effect after a certain period, and for that reason the company increased its wages while hiring new people. To allow for this, our regulation has an extenuating clause that says that the plan will have a sanction effect only after the difference to the left and the right exceeds 15 percent. That is, this 15-percent zone is a zone in which the enterprise cannot be "punished," or a zone in which the regulation does not take place. In fact, the following formula is valid for every enterprise:

Wages in 1993 over wages in 1992 should be less or equal to 1.15 times wages in 1993, divided by 1992 wages.

I do not know whether all the critics appreciate this. If not, then it would be a good thing if they presented arguments against this theory and their own explanation, abstaining from criticism of the government, a criticism for any price, and based on prejudices.

Klaus: Response to Slovak Devaluation Not Necessary

LD1307174193 Prague CTK in English 1730 GMT 13 Jul 93

[Text] Prague, July 13 (CTK)—The devaluation of the Slovak crown was the only correct reaction to the unbearable situation of the Slovak balance of payments

and foreign currency assets, Czech Premier Vaclav Klaus said after the ministers met today.

The devaluation of July 10 was recommended by the whole world and was carried out towards the whole world, including the Czech Republic. Any reaction by the Czech Republic would, therefore, be out of place and was not being considered, said Klaus.

The two specific exchange rates development of the Czech and Slovak crowns, the clearing and touristic rates, had been indicating a certain imbalance. The Czech Republic's positive trade balance with Slovakia amounting to 3.4 billion crowns ($110 million) exhibited a similar impact, noted Klaus.

The 10-per cent devaluation of the Slovak crowns only brought an equilibrium in relation to the Czech crown, and no Czech moves in response were necessary, said Klaus.

KDU-CSL Condemns Klaus Comments on Church

AU1207165393 Prague CTK in English 1257 GMT 8 Jul 93

[Text] Prague July 8 (CTK)—Statements made by Czech Premier Vaclav Klaus concerning the Catholic Church and the television broadcast of a church service from the Velehrad Monastery had a bitter and surly tone, said Josef Lux, chairman of the Christian Democratic Union-Czechoslovak People's Party (KDU-CSL), at a press conference here today.

Lux was referring to an article published in CESKY DENIK, in which Klaus states that the Catholic Church is starting to play a role which is simply not suitable to its position and that the several-hour television broadcast from Velehrad was the last straw in the whole matter.

Lux said that it was not possible to understand Klaus's statements as anything but a momentary indisposition. Words like 'last straw' and 'it is necessary to give support to someone else entirely' are words of confrontation, he said. The effort to invoke an anti-Christian atmosphere or to try to divide Christians into Catholics and others has already occurred here several times in our history, and it alarms us very much. He noted that it is necessary to focus on what joins people together instead of the opposite.

The idea that someone would influence television and will decide that this or that is the last straw. Is absolutely unacceptable for us, Lux stated.

Jan Kasal, KDU-CSL deputy chairman and chairman of the parliamentary Media Commission, said that one point on the programme of today's commission meeting was the question of whether the revision of licencing conditions for the television company CET 21 was justified. CET 21 representatives as well as representatives of the Czech Council for Radio Broadcasting took part in the discussion.

Despite the fact that the commission did not have time to pass a resolution, Kasal expressed his personal satisfaction with the explanations of the CET 21 representatives and the Council members. He said he did not believe that the revision of the licencing conditions was in any way illegitimate.

CET 21 obtained its broadcasting licence February 9, 1993 on the basis of a January 30, 1993 decision by the Council. On May 11, 1993, the Council passed a resolution which revises and explains the licencing conditions.

Bishops Criticize Statements

AU1207165493 Prague CTK in English 1737 GMT 8 Jul 93

[Text] Prague July 8 (CTK)—Czech and Moravian bishops voiced disappointment over statements made by Czech Premier Vaclav Klaus concerning the Catholic Church and the television broadcast of a church service from the Velehrad Monastery.

In a statement signed by Prague Archbishop and Czech Primate Miloslav Vlk and given to CTK today, the bishops said that the position of the Church in the Czech Republic was defined by the Constitution and did not depend on the wish of some public representative.

In an article published in the daily CESKY DENIK today, Klaus stated that the Catholic Church is starting to play a role which simply does not suit its position and that the several-hour television broadcast from Velehrad was the last straw in the whole matter. Klaus said that the television broadcast from Velehrad had ended the stage at which the Church was perceived by everybody as one of the institutions most harmed by the former regime. Now, however, we have received the signal that the stage has come when we should give our support to someone quite different, CESKY DENIK reported Klaus as having said.

Responding to Klaus' words the bishops said: We are surprised that somebody would want to tell us where we should have or not have services and for whom we should or should not pray. It does not seem right for a democratic state representative to wish to determine what television should or should not broadcast. We object to being reproved for the fact that as a church we are behaving freely, bishops said. They added that the above-mentioned experiences had led them to believe that they should seek independence of the Church from the state.

This year's service at the Velehrad Monastery was not some special manifestation of a political or other nature, Czech Bishops' Conference Spokesman Miloslav Fiala told CTK today, reacting to Klaus' statement. He said that the presence of the mass media only proved welcome possibility for all who could not attend the service to see it.

Chairman of the Christian Democratic Party (KDS) Vaclav Benda today told CTK he disagreed with Klaus'

view. He said, however, that he strongly advised that the mentioned article be taken as the premier's personal opinion. He said he was opposed to the KDS taking an official stand on the matter, and that he did not consider it appropriate for individual members of the government coalition to fight with each other in the public mass media.

Benda said he believed that talks on restitution of Church property and on defining the position of the Church in the Czech Republic should continue and produce a result.

Klaus Defends Comments

AU1407125293 Prague TELEGRAF in Czech 10 Jul 93 p 1

[Interview with Prime Minister Vaclav Klaus by Viktor Krejci; place and date not given: "It Was Not an Indisposition, but an Observation"]

[Text] [Krejci] Mr. Prime Minister, Christian Democratic Union-Czechoslovak People's Party Chairman Josef Lux has described your statements regarding the Velehrad pilgrimage as a momentary indisposition. Would you care to respond to this?

[Klaus] That really is a delightful little phrase. However, I do not analyze the momentary disposition or indisposition of Mr. Lux and I think it would be better if this principle was not introduced between us. Moreover, I view all of this as a sign of great anxiety on the part of Mr. Lux and certain strictly Christian-oriented parties. They would like to play an infinitely greater role in our country than they actually play and, therefore, they are constantly disappointed by the election results and by the preferences that are regularly published. This causes them anxiety and alarm and leads to them making frenetic statements.

As far as the issue itself is concerned, I repeat that I was in the Bethlehem Chapel and not at Velehrad. Nevertheless, the accusations being leveled against me—that is, that I would apparently like to dictate to people which pilgrimage to attend and which don't attend—give rather a different impression: I am beginning to have the feeling that, in the opinion of some people, I made a mistake by not going to Velehrad and going to the Bethlehem Chapel. However, as soon as these kind of opinions start being expressed, I have to defend freedom of speech.

In view of the fact that I have a sore back and need to stay in bed, I have had a greater opportunity to watch television, listen to radio, and think about more things. Therefore, I have become convinced that an immediately post-November phase—when each of us knew that the church had been extremely unjustly treated by the former regime and that it was our sacred duty to compensate the church and support it—has come to an end. I realized that it is no longer necessary to support the church (and, perhaps, subconsciously I mean the Catholic Church more than other churches), because it has become sufficiently "established" in our society and also that it is possible to express sympathy and support for other institutions.

Havel Receives French Foreign Minister

AU1407114893 Prague CTK in English 1800 GMT 12 Jul 93

[Text] Prague July 12 (CTK)—Czech President Vaclav Havel spoke about the European integration with the French Foreign Minister Alain Juppe, who has come to the Czech Republic on an official visit, Presidential Spokesman Ladislav Spacek told journalists today.

Another topic of the meeting was Central and East European countries' criticism of West European protectionism, said Spacek.

Juppe said that the new French Government had decided to do everything to keep the promises given by Western Europe. He declared that the European Community (EC) was not an association of protectionists.

Both statesmen agreed that the admission of the Czech Republic into the EC was the cornerstone to the elimination of troubles surrounding protectionism and military integration.

Juppe said that at the next NATO conference France would be looking for opportunities to create a bridge which would enable the Czech Republic to approach NATO membership more quickly.

Juppe also informed Havel about a French project called the Conference on Stability. It deals with ethnic minorities and multilateral guarantees of their rights. Havel welcomed this initiative and called it a sort of continuation of French President Francois Mitterrand's concept of European confederation.

France wants the Czech Republic, in addition to Central and Eastern European countries to join the EC, Juppe told journalists after meeting with Czech Foreign Minister Josef Zieleniec today.

Juppe supported the incorporation of the Czech Republic into the EC security zone. Juppe and Zieleniec agreed on regular consultations between the representatives of the two offices.

The ministers signed an agreement on cooperation in youth exchange and in sports.

Foreign Minister Zieleniec Views Border Issues

LD1307222093 Prague Stanice Praha Radio Network in Czech 1630 GMT 13 Jul 93

[Quotation marks denote recorded passages]

[Excerpts] Czech Republic Foreign Minister Josef Zieleniec has said that the development of the Czech and Slovak republics has been successful despite the initial

pessimism of foreign officials who used as their argument the development in the countries of former Yugoslavia and former Soviet Union. Eva Hulkova has a more detailed report.

[Hulkova] [passage omitted] Replying to a Czech radio question on which of the problems is the most important, Josef Zieleniec said:

[Zieleniec] "The problem which is currently very important for us is the border issue."

[Hulkova] The significance of this issue is growing because its solution is related to the issue of all-European migration, Josef Zieleniec said, adding that Czech proposals are absolutely in line with the agreements already reached.

[Zieleniec] "Our agreements with Slovakia affect the citizens of the Czech and Slovak republics. They do not affect citizens from third countries, and therefore there is no reason to apply them to third countries' citizens. Our wish to make more explicit the provisions which were only implicitly included in the agreements is purely a matter of course for us."

[Hulkova] The Slovaks refuse to do this, and we should discuss the reasons for their refusal with them, Minister Zieleniec said, and pointed to another important issue.

[Zieleniec] "We are determined to control the entry of third countries' citizens into our territory and we will simply carry on doing so."

[Hulkova] It is in the interest of a positive process in the development of relations between Czechs and Slovaks that this should happen after an agreement with the Slovak side and without unnecessary tensions, Czech Republic Foreign Minister Josef Zieleniec said in Prague today.

Ministry To Investigate Gulf War Illnesses

AU1407135393 Prague MLADA FRONTA DNES in Czech 10 Jul 93 p 1

["(km)"-signed report: "The Army Is To Investigate the Health Problems of Soldiers From the Gulf"]

[Text] Prague—The Ministry of Defense will investigate the reports that Czech soldiers who took part in Operation Desert Storm in the Persian Gulf have health problems, and it will also look into the possible consequences of poisoning or irradiation. Colonel Petr Miko, the Czech Army General Staff Health Administration spokesman, told us yesterday that all the veterans of Operation Desert Storm in the Czech Republic will be invited for a medical check-up.

The ministry's decision was made in reaction to a claim by Peter Zelinsky, a spokesman for the Czech war veterans, who told MLADA FRONTA DNES last week that Czech soldiers, like British and American veterans, have health problems following the Gulf war.

The war veterans consider the Health Administration's decision to be a turnaround they can only welcome. The Ministry of Defense had originally just told Gulf war veterans to go to a medical center or to consult their own doctors about their problems.

Parliament Ratifies Trade Zone Agreement

AU1307180493 Prague HOSPODARSKE NOVINY in Czech 9 Jul 93 p 2

["(jp)"-signed report: "The Central European Agreement Has Been Ratified"]

[Excerpt] The Czech Parliament yesterday ratified the Central European Free Trade Zone Agreement involving the Czech Republic, Slovakia, Hungary, and Poland.

Trade and Industry Minister Vladimir Dlouhy said that tariff and nontariff obstacles to trade in industrial goods in Central Europe should be removed by January 2001 at the latest, while the complete liberalization of trade in agricultural products and food is not being taken into consideration. He added that economic cooperation within the Visegrad grouping should not go beyond the framework of this agreement. Its possible institutionalization could, according to the minister, start a political process that would end in these countries becoming "second class Europeans." [passage omitted]

Banks Reflect Slovak Exchange Rate Devaluation

LD1307105293 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 0500 GMT 13 Jul 93

[Text] [Announcer] The reaction of some commercial banks in the Czech Republic to the devaluation [of Slovak koruna] has been more than cautious. The reason is that the tourist exchange rate between the Czech and Slovak koruna is determined, above all, by supply and demand. However, some financial institutions did respond, perhaps in an attempt to avoid losing out. Our Prague correspondent Daniela Galikova comments.

[Galikova] The first bank to respond to the devaluation of Slovak koruna, albeit not too strongly, has been Ceska Investicni Banka [Czech Investment Bank]. Its spokesman has confirmed that the bank had adjusted the exchange rates as early as Friday [9 July]. Today the bank buys the Slovak koruna for 80 halers [0.8 Czech koruna]. This is one of the lowest rates around, even though it only differs from those remaining unchanged by some 2 or 3 halers [one koruna is 100 halers].

One of the leading banks, Komercni banka [Commercial Bank], has said through its press department that it would not be adjusting its rate but wait for the supply and demand to go up or down.

(Jaroslav Klapala), the vice director-general of Ceska Sporitelna [Czech Savings Bank], gave me a similar statement. He said his bank would not be responding to Slovak koruna's devaluation against freely convertible currencies by adjusting the exchange rate. He said the

announced devaluation concerned above all the clearing ECU [European Currency Unit], and an immediate adjustment of tourist exchange rate was not necessary. It all depends on the buying and selling of Slovak currency in the near future, he said.

Jaroslav Klapala did not exclude that the devaluation could boost the Slovak koruna against the Czech koruna. Klapala said he anticipated increased demand for the Slovak currency, which would strengthen its position.

The currency exchange rates have hardly changed compared to last week, which only confirms that the banks have indeed been cautious.

Border Police Begin Patrolling Slovak Border

LD1307142093 Prague CTK in English 1255 GMT 13 Jul 93

[Text] Brno, July 13 (CTK)—The foreign division of the Czech police has begun patrolling border crossings with the Slovak Republic where there are customs offices, Milan Moucka of the South Moravian Division said today.

Officers will ensure eligibility for entry of persons from third countries, and are authorized to turn back those who do not fulfill requirements.

A bare minimum number of officers are available to carry out the activities, and the green, undefended border area will remain unpatrolled, Moucka said.

Developments on the border between the two republics will depend on the situation that develops on the Czech-German border, with respect to Germany's asylum law, said Moucka. We are anxiously awaiting the government's decision, which will be authoritative for us.

Unemployment Rate Grows Moderately in June

LD1307143693 Prague CTK in English 1311 GMT 13 Jul 93

[Text] Prague, July 13 (CTK)—The unemployment rate in the Czech Republic reached 2.63 per cent by June 30, which means it grew moderately over May's 2.58 per cent rate, announced the Czech Ministry of Labor and Social Affairs today, according to data gathered from labor offices.

From the total 5,266,655 citizens of working age, 138,581 were looking for a job. As many as 62,616 were drawing unemployment benefits, of which 38,123 were women.

North Moravia has the highest unemployment rate (4.57 per cent), followed by north Bohemia with 3.11 per cent. Districts with the highest unemployment rate are Vsetin in northern Moravia, (6.38 per cent), Louny in northern Bohemia, (6.22 per cent), and Novy Jicin and Bruntal, both in northern Moravia, (at 6.01 per cent).

Zlin in southern Moravia has experienced the biggest increase in dislocated workers (20.47 per cent), but maintains a small overall unemployment rate of 1.35 per cent. Semily in eastern Bohemia followed closely with 17.29 per cent of the working population becoming dislocated from jobs and an overall unemployment rate of 0.87 per cent.

The lowest unemployment rate is found in Prague (0.24 per cent) and southern Bohemia (1.89 per cent). As for districts, Cheb in west Bohemia has the lowest rate (0.29 per cent), followed by the western Bohemian spa district of Karlovy Vary (0.64 per cent) and Semily (0.87 per cent).

There are 73,486 positions registered as vacant in the entire Czech Republic, 18,379 of which occur in Prague. The number of vacancies in the previous month was 74,441. Central Bohemia follows in the number of vacancies (10,254), while south Bohemia has the least—4,766.

Economic Results for Jan-May Reported

AU1407072993 Prague HOSPODARSKE NOVINY in Czech 12 Jul 93 p 3

["(lv)"-signed report: "January to May 1993 Economic Results in the Czech Republic"]

[Text] When talking about the basic trend in the development of the Czech Republic's national economy—which was evaluated according to preliminary results of the Czech Statistical Office—it is possible to say that previous positive results have been preserved, while some problems still prevail. Among the positives, there is the relative stability of consumer prices and factory prices, low unemployment, foreign trade surplus, budget surplus, and a gradual revival of the construction business. Problems persist in industry, where the decline in production is accelerating. The May results also show that volume indices have declined for all types of transportation. In all the main sectors, wages reflect the same trend as in the first quarter, when the relatively highest increase of nominal monthly wages was recorded in transportation and construction.

Industry

The May results (including the estimate of the production of organizations employing up to 25 people and private persons registered or not registered in the business register) may indicate some deceleration in decline in comparable prices compared to last year (98 percent of last year's figure). This deceleration, however, was apparently caused by more available working hours—two days this year. After a simple comparison, using the same number of working days (not including the nonstop working places), the May results indicate the greatest decline—by more than 10 percent compared to last year. Average daily production in May did not reach the April level.

From January to May, overall industrial output reached 95.5 percent of the level as during the same period in 1992. If we project this number for the same number of working days, this figure will drop to 94.6 percent. Increase in production materialized in organizations with up to 100 employees and between 2,000 and 2,499 employees. In other categories, there was a decline in output.

Enterprises with 25 or more employees participated with 90.2 percent in overall industrial output. They show a decline in output of 6.5 percent (7.4 percent after calculations are made with the same number of working hours). There was lower dynamism compared to the nation-wide average in the following sectors: manufacturing of machines and equipment, manufacturing of electrical and optical appliances, paper and printing industry, publishing industry, and mining of non-energetic raw materials, such as ores and stones. An increase in production, compared to 1992, was recorded in leather production, leather products, rubber products, and products from plastic.

A strong orientation of the industry toward exports continues. The dynamism of production testifies to this fact (3.4 percent increase), overall sales (2.4 percent increase), and export sales (22.4 percent increase). Unlike what was said before, these figures were calculated in current prices of the applicable years.

The number of workers in industrial organizations declined 6.3 percent from January to May, compared with the same period last year, and the average monthly nominal salary increased 22.7 percent, reaching 5,569 korunas [Kc]. Real wages increased by only 0.8 percent. Labor productivity per worker in goods manufacturing was higher by 10 percent than in the period from January to May last year (current prices were used for the calculation), and, in permanent prices, it remained on approximately the same level of last year.

Construction

If we take output into account, the results since March show a gradual revival of dynamism compared with 1992. For the first time, construction output in May was on the level of the same period in 1992 (1.4 percent).

The volume of construction works performed according to delivery contracts by organizations with 25 or more employees (some 73 percent of the overall construction output) increased 0.8 percent in May, compared with the same period last year, but in the January to May period, there still was a decline of 10.2 percent. This was caused by organizations with 100 or more employees. The highest loss of dynamism was recorded in organizations with 800 to 999 employees (26.7 percent).

The number of employees rose 1.4 percent from January to May, over the level in the same period in 1992. The average nominal monthly wage reached at most Kc5,999 during this period, and rose 28.7 percent compared to 1992 (real wages rose 5.8 percent). The labor productivity of workers in the construction industry rose 9.4 percent (in current prices); in comparable prices, a decline of more than 10 percent was recorded.

Agriculture

Compared with the same period last year, from January to May, sales of agricultural products by primary producers (including the estimate for the private sector) rose 13.6 percent for slaughter hogs and 19.1 percent for eggs. Slaughter cattle sales were down 1.3 percent, milk 10.7 percent, and slaughter poultry 20.6 percent. Sales to trade and processing organizations—for slaughter animals, this figure was four-fifths of overall sales, 96 percent for milk and 40 percent for eggs—had a similar trend.

Transportation

From January to May, the volume of goods transported by public road transportation, including private freighters, declined 21.2 percent and output 11.7 percent compared with the same period last year. In May alone, the volume of transported goods declined not only compared to 1992 (15 percent), but also compared to April 1993 (4.4 percent). This decline applies mainly to domestic transportation. The volume of goods transported in international truck transportation was 5.2 percent lower this year, compared to the January-May period last year, but in view of the longer transportation distance, output expressed in tonnes per kilometers increased 17.7 percent. More than 567 million people were transported by public bus transportation between January and May, which represents a decline of 6.9 percent compared with 1992.

Railway transportation declined 15.4 percent in May, compared with 1992, and 2.9 percent compared with April 1993. In river transportation, there has been a gradual decline since March, when this year's peak was reached (7.6 percent against April). From January to May, this decline was 9.8 percent, compared with the same period last year.

Domestic Trade

Between January and May, the overall volume of retail turnover reached Kc160.1 billion, and it was steadily rising. In May, retail turnover was 25 percent higher than in January.

Compared with 1992, there was a dynamic growth in current prices. In the period from January to May, this increase was 23.5 percent. In comparable prices, this figure is 2.9 percent.

Companies registered in the business register participated with 52 percent in overall retail turnover. There was an increase in retail turnover, in comparable prices, mainly in small organizations with up to 25 employees (26.4 percent) and entrepreneurs unregistered in the

business register (17.5 percent). In organizations with 25 or more employees, sales declined more than 15 percent.

Foreign Trade

Overall turnover in foreign trade (without the Slovak Republic) reached Kc211.6 billion from January to May—that is, 16.5 percent more than in the same period last year. Imports rose 24.4 percent, exports 12.1 percent. The largest increase in imports was from EC countries (40.8 percent). Imports from the former USSR declined sharply (21.7 percent). Czech exports into EC countries rose most sharply (19.2 percent increase).

Overall imports since the beginning of the year (without the Slovak Republic) were Kc104.2 billion, exports Kc107.4 billion. There was a surplus of Kc3.2 billion. If we count trade with Slovakia—in which case, exports represent Kc28.2 billion and imports Kc24.7 billion—the overall surplus will become Kc3.5 billion higher, totalling Kc6.7 billion.

In May (without the Slovak Republic), exports from the Czech Republic reached Kc22.3 billion (13.8 percent more than in May last year), and imports to the Czech Republic reached Kc22.2 billion (13.5 percent less than in May last year).

Soviet Military Equipment Transits Republic

LD1207141693 Prague Radiozurnal Radio Network in Czech 1300 GMT 12 Jul 93

[Text] A train full of Soviet military technology, which is gradually being withdrawn from Germany, arrived in Decin [north Bohemia] at noon today. Romana Konecna has the details of the transit.

[Konecna] The Czech Republic's territory is being crossed today by a 460 meters long [as heard] transit train of the Western Group of the Soviet Army which started out from Falkenberg in the Federal Republic of Germany. The cargo is military vehicles and material, the destination is a military reloading junction belonging to the Ukrainian Defense Ministry in Uzhorod or Mukachevo.

Besides the eight Russian guards, the 29 fully loaded wagons were also being guarded today during the first stopover of the train at Decin by 15 men of the Army railway units. The train will be accompanied to the border with Slovakia, which the train will reach also today, by railway police.

As Rudolf (Stochl), deputy head of the Decin railway station told me, the transit of Russian technology is quite a lucrative affair for the Czech railways since they would receive 30,000 DM [German marks] for one transit on average for the 460 kilometers of Czech territory crossed. The train carrying the military technology today is the second such transit across our territory. There will be two more to follow as part a pilot regime. This should be followed by regular bulk transport. None of our railway employees, however, knows the overall volume of technology to be moved by the Soviet [as heard] soldiers from the West to the East.

Ministry Protests Hungarian Decision on Nagymaros Dam

LD1307154093 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1500 GMT 13 Jul 93

[Text] The Foreign Ministry today presented to the Hungarian Embassy in Bratislava a diplomatic note that expresses dissatisfaction with the decision of the Hungarian parliament to assign 800 million forints, within the framework of the adjusted budget for this year, for expenses connected with doing away with the circular dam near Nagymaros and for returning the surrounding territory to its original state.

The note draws attention to the fact that halting the building of at Nagymaros only a few days after the international court in the Hague started to tackle the legal dispute and plans for this water project would be a new grave illegal step on the part of Hungary.

Meciar Opposed to Czech-Slovak Border Controls

LD1207122393 Prague Radiozurnal Radio Network in Czech 1200 GMT 12 Jul 93

[Txt] [Announcer] Slovak Prime Minister Vladimir Meciar said today that he had not been officially sent a draft agenda for talks with Czech Premier Vaclav Klaus, that are to take place during the Central European Initiative [CEI] conference in Budapest [16-17 July]. Alexander Picha reports from Bratislava.

[Picha] Vladimir Meciar today stressed that he had no particular subject to raise during the talks with the Czech premier. He said that should the Czech and Slovak premiers meet at the upcoming CEI conference after all, he assumed that the meeting could only be an informal one, taking into account the occasion at which it would take place.

The Slovak premier has again rejected the idea of setting up border controls between the two countries. He said the Czech Republic had so far not returned a single refugee to Slovakia, and so, I quote: There are no material or objective circumstances that would necessitate the building of border crossings.

Premier Meciar repeatedly said for Czech radio and Czech television that Slovakia's southern border was well guarded against refugees. Without going into details, Meciar said that Slovakia had other means of dealing with immigration. I do not agree with border controls between the Czech Republic and Slovakia, the Slovak premier stressed again.

Meciar Addresses German Businessmen

AU1307164693 Bratislava HOSPODARSKE NOVINY in Slovak 9 Jul 93 pp 1, 3

[Report by W. Marksfeld: "Assurances for Foreign Businessmen"]

[Excerpts] [Passage omitted] During a working lunch at Hugenpoet Castle, the Slovak prime minister delivered a speech on the "Political and Economic Transformation in the Slovak Republic in an Integrating Europe" to 80 representatives from the German economic and financial world.

The guests listened carefully to his speech because it contained specific information from the most competent source on the situation in Slovakia and the opportunities for investment.

In his introduction, Vladimir Meciar briefly outlined Slovakia's starting position following the changes in 1989, a position that he considers on the whole to be positive. The Slovak people welcomed the political and economic changes in 1989. These changes heralded the transformation from a centralist command economy to a market economy. A prerequisite for transformation is democracy founded on civil liberties, pluralism, freedom of speech, the press, and religious conviction, and protection for an individual's freedom and property.

Slovakia had serious problems in the economic sector due, to a considerable degree, to the fact that its trade turnover with the former CEMA states amounted to 80 percent of its overall turnover! The substantial decline in this trade led to a reduction in the volume of production, increased unemployment, and a decrease in the economy's overall performance. Enterprises cannot be restructured quickly or without foreign capital. Their resources are limited and there is not even enough to fulfill current economic ventures, for which efficiency is a precondition.

According to Meciar, "transformation itself is not so complicated as transforming thinking and people's behavior so it corresponds to the principles of democracy and a market economy." Democracy, which it is necessary to relearn, goes hand in hand with these fundamental pillars of the new thinking! [passage omitted]

Democracy is the basis for the market economy into which Slovak society is being transformed.

Criticism was leveled at the adoption of bureaucratic methods of work from the previous era. The enterprises are still extremely dependent on the center. For example, "in the privatization process where many bodies, commissions, and subcommissions air their views on complex privatization projects for state enterprises. Of course, the result is that almost anyone can express unqualified views on privatization, including people who do not understand it at all."

In his speech, Meciar also paid attention to the issue of a market or controlled economy. No one in Slovakia casts doubt on the necessary transfer to a market economy and democracy, which are the republic's main aims for its definitive incorporation among the states of Western Europe.

The Slovak prime minister elicited a rousing response when he said: "The Slovak Government's policy statement can fully satisfy investors' expectations, provide assurances for the protection of foreign capital, and also allow for the utilization of the anticipated profit." The Slovak Government is determined to establish "principles for stimulating and purposefully orienting the entry of foreign capital into privatization."

The candid nature of the speech and its critical assessment of the current state of the economy met with a favorable response. According to Meciar, the Slovak economy's point of departure may be characterized as "an economy one-sidedly structured and controlled in harmony with the doctrines of Marxist ideology and the principles of cooperation among CEMA and Warsaw Pact states, doctrines and principles that determined the economy's structure in accordance with so-called higher international interests. The obsolete and neglected infrastructure for protecting the environment and outdated technology were other gross mistakes. Insufficient regard for the individual, his education, culture, and health were also attributes of the old system."

For these reasons, Slovakia's economic recession "entered into a phase involving a gradual decline in performance and an unemployment rate that reached 12 percent." The Slovak prime minister sees the reason for this, among other things, in the "often incorrect political decisions made by the previous government." He considers halting the recession and gradually stabilizing the economy to be his government's main task. Several factors are necessary for this, such as training almost 2.4 million employees—including engineers and technicians—to a level comparable with that in states with a market economy. Slovakia's geopolitical position at the heart of Europe also creates a very good starting point regarding Eastern Europe and the structure of Slovak industry, even with its problems, is also not without interest. "After all, the production of various semifinished products in chemicals, engineering, and other branches is much easier to execute on world markets than the production of finished products." The disadvantages to date of making deliveries to the Czech Republic at "official prices" are turning into advantages for Pan-European cooperation. The issue involves the rational use of these advantages! The prime minister also views as favorable the conditions for developing tourism and various recreational and health care visits by people from all over the world.

When talking about international cooperation, Prime Minister Meciar referred to two spheres—capital investments and developing trade relations.

At the moment, the situation regarding foreign capital investment in Slovakia is unchanged. Austria is in first place with an overall volume of 30 percent, Germany is second, and the United States is third. There is still a great deal of potential for effective cooperation between Germany and Slovakia and this visit should, among other things, highlight it and emphasize the benefits for both sides. [passage omitted]

The audience heard with interest that during the first quarter of 1993, Slovakia's imports amounted to 24.2 billion korunas, while its exports amounted to 25.4 billion korunas. The Republic has thus achieved a surplus balance of 1.2 billion korunas!

When he spoke about privatization, Vladimir Meciar's words also fell on fertile ground. After explaining the role and mission of small-scale privatization, which was not always correctly understood in the West, the prime minister spoke about the second privatization wave, which should privatize state property worth some 250 billion korunas. During this stage, priority will be given to the direct sale of enterprises. The only exceptions will be enterprises with a strategically important program. However, even here it will be possible to reach an agreement on the basis of a percentage share where the state will maintain a majority 51-percent stake.

As many enterprises or companies from the West are unaware of the conditions for investing in Slovakia, the prime minister recommended "purposeful cooperation with well known consultative organizations that can speed up the cooperation process." He cited cooperation between Siemens and Kabl Bratislava and MEZ Michalovce, Hoechst and Biotika Lupca, and Volkswagen and BAZ Bratislava as examples in this sphere. [passage omitted]

Austrian, Slovak Presidents View Cooperation

LD1307190093 Prague CTK in English 1821 GMT 13 Jul 93

[Text] Bratislava, July 13 (CTK)—Bilateral contacts between Austria and the Slovak Republic are very good, as demonstrated by my frequent meetings with my Slovak counterpart and the Slovak premier, Austrian President Thomas Klestil told journalists after meeting Slovak Premier Vladimir Meciar today.

Klestil said that his discussions with Meciar and Slovak President Michal Kovac concerned possibilities of further bilateral and multilateral cooperation within the framework of European activities. He said they had also talked about matters of concern to citizens in both countries, namely the Jaslovske Bohunice nuclear power plant in western Slovakia. Meciar told journalists that there were two possible solutions to the problem. One was overhauling the plant, and the other, more probable one, was converting the plant to a different system.

Meciar disclosed that talks had also centered around cooperation between Slovnaft and the Austrian firm Omf, a link-up between an Austrian gas pipeline and the Druzba pipeline, as well as bilateral trade and Austrian investments in Slovakia.

Finance Minister on Import Surcharge Issue

LD1307192093 Prague CTK in English 1851 GMT 13 Jul 93

[Text] Bratislava, July 13 (CTK)—Import surcharges are not being considered, Slovak Finance Minister Julius Toth told a press conference after the government's session today.

Toth said that he had been empowered by the Slovak government to introduce import surcharges at any time, but the current macroeconomic criteria did not compel him to do so.

When asked about the cabinet's view on the 10 percent devaluation of the Slovak crown by the Slovak National Bank, Toth replied that this was a common affair, a matter of normal routine, and that he did not understand why a fuss should be made about it.

Other issues at the government's session included the appointment of Ivan Lexa, current director of government office to the position of state secretary of Privatisation Ministry. He would temporarily continue to work in his current post, said Slovak Minister of Culture Dusan Slobodnik.

Slovak President Michal Kovac refused to sign Lexa's letter of appointment to the position of Slovak intelligence service director. According to sources, Kovac took the same attitude towards Lexa's possible appointment as privatisation minister. The appointment of the secretary of state is not subject to presidential consent.

Government Returns Law on Names to Parliament

LD1307185393 Prague CTK in English 1819 GMT 13 Jul 93

[Text] Bratislava, July 13 (CTK)—Slovak government decided at its today's session to return the law on names and first names, passed by Slovak parliamentarians on July 7, to the Slovak parliament, Minister of Culture Dusan Slobodnik told a press conference today.

Under no circumstances was it a breach of the requirement by the Council of Europe (CE) regarding the freedom in the choice of names, but this institution simply cannot impose certain things on us, said Slobodnik. He pointed to the demand by the Hungarian ethnic minority not to attach the ending -ova to female names (a grammar rule in the Slovak language—ed). The Slovak language painlessly accepts some elements from other languages. But there was a certain limit which no language could cross and no one can force this on us under any pretext, said Slobodnik.

He added that the Slovak Government's decision stemmed from the necessity to preserve the principle of Slovak grammar. The EC cannot impose grammar on us, as it is not within its competence. It is within the competence of the supreme god in terms of the Slovak grammar, Ludovit Stur Language Institute, stressed Slobodnik.

The adoption of the law was due to a misunderstanding by deputies because several important amendments had not been included in the heated atmosphere, said Slobodnik.

Jeszenszky Meets With French Foreign Minister

LD1307151093 Budapest MTI in English 1428 GMT 13 Jul 93

[Text] Budapest, July 13 (MTI)—Foreign ministers Alain Juppe of France and Geza Jeszenszky of Hungary met today for more than two hours in Budapest, disscussing future cooperation and high-level political contacts.

Foreign affairs spokesman Janos Herman told reporters that the ministers discussed in detail bilateral relations and agreed on future high-level political contacts between the two countries.

According to a protocol signed after the talks, the two ministers will meet every year and there will be regular consultations between ministries on cooperation, relations between Hungary and the European Community (EC), and general conditions in eastern and central Europe.

Juppe and Jeszenszky stressed economic cooperation and noted that France and Hungary were major business partners. Juppe said French businessmen were ready to increase their presence here.

On EC issues, the foreign ministers agreed that decisions at the Copenhagen summit should be directives for bringing Hungary closer to the EC. They said it was more important to clarify membership criteria than fix a concrete admission-date.

The next step was to examine how countries in the region could meet these requirements. The EC differentiated between countries in this and France would follow suit, the spokesman said.

Juppe and Jeszenszky also discussed French Prime Minister Edouard Baladur's proposal to convene an all-European conference for an agreement that reflected the new situation on the continent in general, as well as in its eastern half, Herman said.

Jeszenszky confirmed Hungary's readiness to work on the proposal, which emphasizes respect for national minority rights.

The two foreign ministers will give further details on their talks at a press conference later today.

France Supports Hungary's EC Membership

LD1307173393 Budapest MTI in English 1710 GMT 13 Jul 93

[Text] Budapest, July 13 (MTI)—French-Hungarian ties have reached a level unprecedented in the two countries' history, said Hungarian Prime Minister Jozsef Antall at talks with French Foreign Minister Alain Juppe on Tuesday.

During the talks, Juppe brought Antall greetings from French counterpart Edouard Balladur and President Francois Mitterrand, and an invitation to Paris from Balladur. He said Balladur hoped Antall would travel to France this year.

Antall and Juppe said bilateral ties are better than ever.

Hungary is interested in France's presence in Eastern Europe in politics, security, and economics, and would like to see growth of trade and French capital in Hungary continuing, Antall said.

Juppe recalled that half of France's investment in Eastern Europe is in Hungary, a sign of French entrepreneurs' confidence in Hungary's stability and successful economic transformation.

Antall voiced hopes that France will support Hungary in establishing close ties with the European Community. As at Juppe's talks with Hungarian counterpart Geza Jeszenszky this morning, the sides again agreed it was not the exact date of Hungary's EC entry that was important but making conditions of membership clear.

Antall said, in the meantime Hungary would seek to use all opportunities provided by its association accords with the EC.

"France unambiguously supports Hungarian EC membership," Juppe said. Later, the two politicians had private talks.

HDF National Board Meeting Ends

LD1107174593 Budapest MTI in English 1655 GMT 11 Jul 93

[Text] Budapest, July 11 (MTI)—The two-day closed-door session of the national board of the Hungarian Democratic Forum (HDF), the leading party in the governing coalition, ended with Prime Minister and HDF President Jozsef Antall's speech in Csopak by Lake Balaton on Sunday afternoon. Participants adopted a stand on current agricultural issues and privatization.

To an MTI query after the meeting, Antall said that following exclusions and withdrawals, the HDF now represented a far more important and more active political force than before. "Last year, we had to put extremely much energy into dealing with disputes and differences within the party," Antall said.

He believed none of the political parties was interested in early elections in Hungary. "Only the Socialist Party may think its position is currently relatively better than the other parties. The others are aware that keeping the four-year cycle lies in the country's interests," he added.

Asked by journalists, Antall outlined the main ideas of his closing speech at the board meeting. He gave briefs about recent home policy events, including passage of the supplementary budget and the value-added tax increase bills, and how the various political forces and parties relate to the HDF. Finally, he talked on foreign and security policy issues affecting Hungary.

Privatization Minister Tamas Szabo told reporters that privatization matters had received great emphasis at the national board meeting. Improving economic operability through privatization was set as the main goal.

HDF Vice-President Gabriella Farkas outlined the board's statement on agricultural policy. Regarding the controversial cooperative bill, she said the board decided everybody should be enabled to withdraw from cooperatives without causing economic damage and the cooperatives not losing any more capital.

HDF Vice-President Peter Boross, minister of the interior, announced that the draft electoral law amendment had been completed.

In this context, HDF parliamentary group leader Imre Konya stressed the ruling coalition (HDF, Christian Democratic People's Party and a wing of the Independent Smallholders' Party) had no intention to abuse its parliamentary majority and modify electoral regulations so as to influence political realities.

Republican Party Chairman Views Party Alliances

AU1407110393 Budapest NEPSZAVA in Hungarian 13 Jul 93 p 5

[Interview with Janos Palotas, chairman of the Republican Party, by Dora Demeny; place and date not given: "With Whom Is the Republican Party a Competitor?"]

[Text] It seems that one of the essential points of the agreement between the Alliance of Free Democrats [SZDSZ] and the Federation of Young Democrats [FIDESZ] is that while the SZDSZ also regards the Republican Party [KOZTARSASAG PART] as a possible coalition party together with the Agrarian Alliance and the Entrepreneurs' Party, the FIDESZ still excludes the possibility of a coalition with the Republican Party.

[Demeny] In your opinion, why is the FIDESZ shying away from you so much?

[Palotas] The FIDESZ leaders should answer this question. I can say that both the Republican Party and I are very open toward the FIDESZ. I have a lot of friends in this party, and I am also not far from them regarding my age. There are numerous prominent FIDESZ representatives—like Gabor Fodor or Gabor Fekete—with whom I have very good everyday relations. Therefore, I have neither principled reasons or any other reason to refrain from expressing my openness. However, any contacts and naturally any quarrel need two sides. I am a partner to the former, but I am not a partner to the latter.

[Demeny] What if you analyze the situation as a politician?

[Palotas] Then I must say that the Republican Party is a certain competition to the FIDESZ. There is a rather broad circle of people among those who sympathize with the FIDESZ who vote for them because they lack any other alternative. Of course, this also applies to the Hungarian Socialist Party [MSZP]. What I mean here is that, if they look at the current political spectrum in Hungary, these people prefer the MSZP or the FIDESZ, to any other parliamentary party. The emergence of a non-ideological party that represents a genuine political force and has real experts considerably threatens this circle of people, because such a party offers an alternative to the current politics.

[Demeny] Why is the Republican Party not a rival of the SZDSZ?

[Palotas] On the one hand, the SZDSZ leaders have perhaps a more mature political concept. On the other hand, I think that, with the slowing down of the conflicts within the party, the camp of SZDSZ voters is rather stable. The Republican Party can gather sympathizers from among non-voters and from FIDESZ and MSZP supporters.

[Demeny] Would you be partners in a liberal coalition after 1994?

[Palotas] We have a clear position in this matter. We will only form an alliance with the Agrarian Alliance before the first round of elections, and after that, with any party with the exception of the Hungarian Justice Party, the Hungarian Socialist Workers' Party, the Hungarian Democratic Forum, and the Smallholders' Party. Thus, we can envisage a coalition cooperation with the Christian Democratic People's Party [KDNP], the MSZP, the SZDSZ, and the FIDESZ.

[Demeny] Are there talks under way with the KDNP and the MSZP?

[Palotas] We are currently engaged in establishing contacts.

[Demeny] Do you think it is possible that the FIDESZ is concerned about you because you are open toward the MSZP?

[Palotas] I do not think so.

Report on Trade Links With Ukraine

LD1307132393 Budapest Kossuth Radio Network in Hungarian 1000 GMT 13 Jul 93

[Text] How are Hungarian-Ukrainian trading and economic relations developing? Hungarian entrepreneurs are finding the formula on which the settling of accounts can take place. This was heard at today's briefing of the Economic Chamber where our editorial office was represented by Jozsef Bozsik:

[Bozsik] In spite of the fallback, this year's results for Hungarian entrepreneurs in Ukraine are so far very good, said Counsellor Tamas Berki who is representing Hungarian economic interests in Kiev. We closed the first four months of the year with around $100 million worth of trade. It is a specially welcomed fact that the majority of this is a result of the work of small and

medium size companies. Exports were worth $60 million, imports were $40 million. So there is a positive Hungarian trade balance of $20 million.

He added that the value of Hungarian foreign trade in the Ukraine did not fall back to the same extent as Ukrainian exports. This fact indicates that Hungarian entrepreneurs can solve the problems of settling accounts. Tamas Berki is not very happy to use the word barter because in Hungarian-Ukrainian trade relations this does not mean purely the exchange of goods, but cooperation through which the exchange value for Hungarian goods can be taken out from Ukraine.

So far 152 Hungarian companies have been registered in Ukraine, so in this field Hungary stands in second place to the United States.

Danube Island Residents Prevent Water Diversion

AU1207132293 Prague CTK in English 2054 GMT 8 Jul 93

[Text] Budapest July 8 (CTK)—Mayors and citizens of the villages located on the Maly Zitny island today prevented the Hungarian Water Management authorities diverting some water from the Moson Danube, the Danube's major southern tributary, to its small adjoining tributaries.

These tributaries have started to dry up after Slovakia diverted water from the Danube's old riverbed to the derivation channel built on its territory.

The local leaders justified their action, arguing that the water from the Moson Danube would still not be able to fill the network of adjoining tributaries and that flora on the banks of the Moson Danube would soon be definitely destroyed. They demand that the Hungarian Government make a fundamental decision on supplying the Maly Zitny island with water. The mayors said that if a solution was not found till the end of the month, they would block all highways on the Maly Zitny island.

The Hungarian Government suggested to the parliament in April that, in view of the situation created by Slovakia's damming the Danube, a lock near Dunakiliti be put into temporary operation and a small dam at the Danube old riverbed built. The proposal caused protests from opponents of the Gabcikovo-Nagymaros hydroelectric project who argue that by its implementation Hungary would be actually realising the so-called C variant suggested by Slovakia to solve the long-lasting Slovak-Hungarian dispute over the project. They also say that this would harm Hungary's chances at the International Court of Justice in The Hague which is currently dealing with the dispute. The project's opponents say that the Hungarian Government's proposal contradicts the Hungarian parliament's earlier decision which banned any installations of the project from being put into operation.

Hungarian-Slovak talks on the establishment of a temporary water regime on the Danube have as yet produced no result. A compromise proposal by the European Community (EC) that two-thirds of the water remain in the Danube's old riverbed and only one-third be diverted to the derivation channel, which would solve the problem of lack of water on the Maly Zitny island, has been accepted by Budapest but rejected by Bratislava.

The Hungarian Government commissioner for the Gabcikovo-Nagymaros plant, Gyorgy Tatar, recently said that the problem would be taken up at the new Hungarian-Slovak talks in Brussels to be held under EC auspices.

ZChN Agrees To Form 'Center-Right' Electoral Committee

LD1307213893 Warsaw PAP in English 2127 GMT 13 Jul 93

[Text] Gdansk, July 13—Leaders of the centre-right parties, the Christian-National Union, the Movement for the Republic of Poland, the Polish Peasant Party, the Peasant Alliance, the Christian-Peasant Alliance, the Party of Christian Democrats, and the Conservative Party established a Catholic Electoral Committee "Ojczyzna" (Motherland) in Gdansk on Tuesday [13 July].

The joint committee was set up despite earlier opinion of leaders of the Christian-National Union leader Wieslaw Chrzanowski who said that it was too late for making a joint list of candidates for the Lower House (Sejm) and that only running for seats in the Upper House (Senate) was possible for the centre-right parties.

The main centre party, the Centre Alliance and the Movement of the Third Republic of Poland were not represented at the meeting in Gdansk. The meeting was held on the initiative of the Archbishop of Gdansk Tadeusz Goclowski.

Walesa Urges Poles To Vote, Supports BBWR

LD1307201793 Warsaw TVP Television First Program Network in Polish 1800 GMT 13 Jul 93

[Address to nation by Polish President Lech Walesa; place and date not given; relayed by Warsaw TV Polonia Network in Polish—recorded]

[Text] Ladies and Gentlemen: Several weeks ago I dissolved parliament. This is a particular period in the life of the country. When there is no parliament and the government has to deal only with administration, the president becomes responsible for the situation. I am aware of the responsibility. I address you today. There are important and difficult decisions before us. We should talk about it in order to decide wisely. The election campaign has begun. I am not conducting it, I perform my duties. Among them is a solicitude for the continuation of changes and for searching for new and future solutions.

During the coming weeks we will consider what program to support, whom to believe, what choice to make. I understand that for many of you it will be a difficult decision. I am not surprised over your hesitation and doubts. It is difficult for me, however, to understand reasons of those who are not going to go to the ballot box at all. I guess that they want to express dissatisfaction and disappointment over the rule of democracy. This is a wrong way. It had significance in the previous epoch. Absence at the ballot box had been then a form of protest. The electorate did not have the influence on the composition of parliament. Today is different.

The law makes sure that no high authorities prejudge the results of the elections. It depends solely on you what people will sit in parliament. You have the right to vote. It has been given to you by democracy. It does not, however, force anybody to use this right. Others, who will go to the ballot box, will elect. They will elect their candidates. I remind you of that not to agitate or persuade. I am no party whatsoever in the campaign. I would only like full clarity on that. Your participation in the elections is neither my, nor the government's, nor the future parliament's business.

This is above all, dear ladies and gentlemen, your affair—what deputies and senators you will elect. That is what the Sejm and Senate will be like. What programs you support, such will be the direction of the Polish transformations. Ladies and gentlemen, I am convinced that most of you are conscious of the significance of the elections. Many, however, do not for the time being perceive a proposal that deserves support. The parties are not facilitating this decision. Momentary coalitions are created and fall. Party and personal disputes are in progress.

It is difficult to orient oneself as to what unites and what divides particular groupings. We continue to have lots of weak parties, weakly rooted in the social soil. They are often themselves incapable of indicating whose interest they represent. They are called the right or the left, not even taking care as to whether the name matches the slogans ennunciated. A fear is born that we are threatened with stagnation, the recreation of the previous situation, a repeat of a fragmented and disputatious parliament. Even the personnel arrangements are being replicated. Among the candidates nominated it is for the time being impossible to see new faces. Does this mean that we have learned nothing? I think that we have nonetheless learned a lot. We already know that we cannot afford a parliament that will in a short time exhaust its possibilities. It will not be capable of appointing a stable government, adopting a new constitution, reforming the laws, the economy, and the administration.

We also know that the future of the country cannot be built on nice promises. Clear programs are required, comprehensible to every elector, programs that can be evaluated by asking the electorate how to fulfill the agreed obligations.

The program has to be realistic and contain only what is possible to implement within the prerogatives at one's disposal. Both the candidates for the parliament and the electorate must remember this. Democracy needs the ability to provide wise and critical judgement. Today we need new ideas and new people, people who are energetic and responsible and who are capable to solve specific problems. We need people who are close to the earth and who know the needs of their milieux and have specific achievements to show.

This is what I had in mind when I announced the idea to set up the Non-Party Bloc for Supporting the Reforms [BBWR]. The BBWR is not my party but an initiative, a

president's initiative. I did not have in mind power for myself. I had in mind those to whom I say at meetings: Take Polish affairs in your hands. Now I want to make this possible for them. I want to give them an opportunity.

I repeat: I am often wise with your wisdom. The idea of the BBWR reaffirms these words. It is your votes at meetings, your letters to the Belweder that have been the inspiration. By proposing the setting up of the BBWR ,I was motivated by the need to protect the reforms. Because Poland's future and the fate of each one of us depends on the reforms.

Many people are today disappointed with the reforms. The majority however are aware that there is no other way. It is not the reforms which are responsible for our problems but mistakes and slowness of their implementation. The main plan is still missing. There is no overall vision of transformations, no awareness of what should be resolved most urgently.

We need today and agreement among various circles directly and closely connected with the economy: employees, businessmen, farmers, and representatives of the local government. It is they who know best what the transformations are about and what is halting them. It is them who feel the effects of bad, delayed, or abandoned legal regulations. Their representation will be in the future parliament a locomotive for the reforms.

The idea is that the matters most important to Poland should not be lost in the chaos of parliamentary disagreements.

Ladies and gentlemen, I have put forward the idea of the creation of the BBWR not so that this bloc dominates the preelection political arrangement, not so that it pushes out the other parties. My concern is that it arouses them to action, induces them towards the seeking of accord, the creation of arrangements of partnership, legible and serious programs, instead of slogans. I hope it becomes a bucket of cold water for the overheated heads of politicians. The BBWR is an opportunity for the increase of the role of society in public life, a successive attempt to create a civil society.

There is in it a place for everyone who wants to change Poland for the better, who understands that the road of reforms is a historic necessity, who is aware of what is most important for Poland today. The bloc is a proposal for people who are not convinced by party slogans, are bored by ideological disputes and empty talk, for those who want to resolve concrete problems, deciding about their day-to-day fate and the future of the country. I know that there are many such people in Poland. I am concerned that they join in the building of our mutual home, that they not stand to the side.

Remember, ladies and gentlemen, that Poland is also yours. Do not allow yourselves to be passively swept along on the tide of events. Finally, I want to state with all force: It is not important whether the BBWR or another group wins in the elections. The best programs and the best people must win. Poland must win.

Politicians Comment on Walesa's TV Address

AU1407095693 Warsaw PAP in English 2119 GMT 13 Jul 93

[Text] Warsaw, July 13—Politicians who were asked to comment on President Lech Walesa's state-of-the-nation address on Tuesday evening [13 July] seemed to agree that the president delivered a typical electoral speech on behalf of the Non-Party Reform Bloc (BBWR).

Jacek Kozlowski of the Liberal-Democratic Congress (KLD) said he and a group of friends were carefully listening to the address which was "an election speech on behalf of the BBWR."

Ireneusz Niewiarowski of the Peasant-Christian Alliance (SLCH) said that the president was carrying out an election campaign for the BBWR in which he discredited other parties and promoted the BBWR. Niewiarowski said he was concerned about the fact.

Jerzy Szmajdzinski, representing the post-communist Social Democracy of Poland (SdRP), called the address a "classical" speech by a political party leader and he expressed the hope that Polish Television would continue this example and will open its studios to other party leaders at prime time in future.

Leader of the Confederation for Independent Poland (KPN) Leszek Moczulski said there was nothing surprising in the address and that he shared the president's concern over the present developments. He expressed the hope that the address would be an important factor able to invigorate Polish political life before the elections.

Jan Parys of the Movement of the Third Republic of Poland (RTR) bitterly remarked that the president had forgotten to mention that he had dissolved parliament thhrough fear that it might adopt a law under which the president himself would be subject to vetting.

Parys also said that although widely publicized, the address actually carried no concrete message.

Threshold Reduced to 5 Percent for Coalitions

WS1407111293 Warsaw RZECZPOSPOLITA in Polish 13 Jul 93 p 1

[Report by Kazimierz Groblewski: "The Electoral Law Can Be Evaded"]

[Text] If the electoral coalitions register district lists of their candidates for the Sejm as electors' committees, and not coalitions, they would be able to divide mandates having only 5 percent of the votes. This move, which does not violate the electoral law, will free the

coalitions from the obligation to exceed the 8-percent threshold. Thus, it is possible that no coalition will start in the legislative election.

It is up to the coalition parties to decide whether they will register their district lists as an electors' committee or as a coalition, Andrzej Zoll, head of the State Electoral Commission, said on 12 July. The difference between the two options is that all the electors' committees must show the collected signatures during the registration of the lists, but to participate in the division of mandates in the district, they would have to collect only 5 percent of the votes. Many coalitions might want to take advantage of the right not to gather signatures, but in this case, they would have to exceed the 8-percent threshold. Kazimierz Czaplicki, head of the National Electoral Bureau, admits that "if a committee is formed by a group of electors acting as a legal person submitting district lists of legislative candidates, there will be no legal grounds for the State Electoral Commission to check how things are in reality."

Under the electoral law, information on the establishment of a coalition, communicated by different parties, is not important. The size of a threshold for electoral participants will be determined upon the submission of the lists to the district and voivodship electoral commissions.

According to our little inquiry, it is possible that all of the newly established coalitions will register their lists not as a coalition, but as an electors' committees. This prospect is carefully considered by the Coalition for the Republic, including the RdR [Movement for the Republic], Peasant Accord, and the Freedom Party, according to Romuald Szeremietiew, the coalition's plenipotentiary. Also, the Polish Convention (the Conservative Party, Peasant Christian Party, Party of Christian Democrats) are very likely to register their lists as an electors' committee, according to Michal Ujazdowski from the Conservative Party. The BBWR [Non-Party Bloc in Support of Reforms] will definitely make the same decision.

Suchocka, Slovakia's Kovac Discuss Debt Settlement

LD1207205693 Warsaw PAP in English 2035 GMT 12 Jul 93

[Text] Warsaw, July 12—Prime Minister Hanna Suchocka on Monday [12 July] met with Slovak Deputy Prime Minister Roman Kovac, now on a two-day official visit to Poland, to discuss the settlement of mutual debts.

The Slovak side accepted the proposal that Poland's debts, having resulted from its trade with former Czechoslovakia, be repayed with hard coal exports to Slovakia.

The talks concerned also the proposed establishment of a team of experts that would be assigned to prepare a transport agreement. Under the agreement Slovakia would gain access to the Baltic Sea, while Poland would gain connection with the Black Sea through the Danube.

Kovac vowed to sign an agreement with Poland on avoiding double taxation and the protection of investments.

Talks focusing on economic issues were also held between Polish and Slovak Government delegations chaired by Deputy Prime Ministers Henryk Goryszewski and Roman Kovac. The two sides discussed the process of economic reforms in Poland and Slovakia, bilateral trade, cooperation on third markets and the establishment of new cooperation ties.

Kovac stressed that his visit is aimed to show that Slovakia is interested in the development of cooperation with Poland.

The talks continued between Industry and Trade Minister Waclaw Niewiarowski and his Slovak counterpart Jaroslav Kubecka. The two ministers recognized as urgent and necessary the resumption of a permanent economic cooperation between Poland and Slovakia. A working commission to deal with the issue was established.

Also on Monday, Kovac met with Health Minister Andrzej Wojtyla to discuss problems related to health insurances and health reform in the two countries.

Later in the day, the Slovak deputy prime minister met with representatives of the Polish Business Council, with whom he discussed investment opportunities in Slovakia.

On Tuesday, Kovac, accompanied by Goryszewski, is to visit Krynica Gorska, Nowy Sacz Province, and meet with representatives of the Sociocultural Society of Czechs and Slovaks in the Republic of Poland.

Goryszewski, Kovac Discuss Reforms

LD1207110593 Warsaw PAP in English 1054 GMT 12 Jul 93

[Text] Warsaw, July 12—Polish and Slovak Deputy Prime Ministers, Henryk Goryszewski and Roman Kovac, met on Monday to discuss economic reforms in both countries, the development of bilateral trade and cooperation.

"Both governments are concerned over the downfall of mutual trade," Goryszewski said after the meeting. Roman Kovac stressed that his visit is aimed to show that Slovakia is interested in the development of cooperation with Poland.

Solidarity Plans Strike in Arms Factories

LD1307205993 Warsaw PAP in English 2047 GMT 13 Jul 93

[Text] Gdansk, July 13—The Solidarity trade union will stage a four-hour strike in armaments factories on July 29, and on August 6 it will organise a demonstration in Warsaw to support the demands of the employees of the arms industry, the Presidium of the Solidarity National Commission decided at its meeting in Gdansk on Tuesday [13 July].

"We hope that the solutions declared by the president and the prime minister during their meeting with representatives of the arms industry on May 6 will be carried out by then," Solidarity leader Marian Krzaklewski said after the meeting. He also stressed that the protest actions aim to improve the material situation of the arms industry employees who are one of the most impoverished workers in the state industry.

The Presidium also discussed the situation at the porcelain-making factory in Walbrzych where workers are protesting against the unlawful purchase of their firm. The Presidium appointed Jerzy Langer and Tomasz Wojcik to conduct talks with the government. According to solidarity leaders the only solution is for the Privatisation Ministry to buy the company back.

The Presidium also touched upon the preparations to the electoral campaign and expressed its wish to put forward pensioners on the union's lists.

Asked what his opinion is about those Solidarity activists who plan to run in the elections with the presidential Non-Party Reform Bloc (BBWR) Krzaklewski said that the union members as private persons may carry out their different electoral plans taking into account their own political views. However, Solidarity activists, Krzaklewski added, who have been chosen by the union's members cannot run in the elections with other groups but the union.

Defense Minister: Russia Crucial for World Security

WS1307140393 Warsaw RZECZPOSPOLITA in Polish 13 Jul 93 p 17

[Report attributed to M.W.: "Minister Onyszkiewicz on Relations With Russia"]

[Text] The military cooperation agreement with Russia is so important for us because Russia means a lot in European and world politics. One cannot build security without it, emphasized Defense Minister Janusz Onyszkiewicz at the press conference on 12 July.

During my talks in Moscow, I stressed that Poland intends to become a NATO member not because its security is jeopardized, but because it is a natural consequence of its decision to enter the Western security structures. The concept of NATO-2, said Onyszkiewicz, testifies to the need to discuss security problems in Eastern Europe. This, however, is not part of the Polish Government's policy; therefore, there was no reason to talk about it in Moscow.

The troops of the Russian Federation are withdrawing according the schedule, and maybe even a little ahead of it. In the last stage, only a 20- or 30-strong liaison unit will remain in Poland to provide support for the troops returning from East Germany. Russia has no objections to the idea of allowing Polish soldiers and foreign servicemen preparing for peace operations to utilize the barracks and firing grounds, left from the Russian Army. In addition, the minister stated that the upcoming visit of Boris Yeltsin should finally settle all the accounts between Poland and Russia.

Asked about the possibility of reducing the Russian military presence in Kaliningrad Oblast, Minister Onyszkiewicz said that the Russians themselves brought up this issue. They seem to realize that this is a sensitive issue for us, and not only us. They are aware of the need to resolve this issue.

The process of reducing the concentration is about to start. An agreement needs to be signed, stated Onyszkiewicz, which would prevent consequences of incidents that can always occur. It may turn out that it is easier for the Russian troops to procure food from Poland. In this case, payments for food could be used in settling accounts for repairs of our equipment performed in Russia. The Polish-Russian military cooperation agreement includes no secret provisions.

Prompted by questions about a possible participation of the military in the electoral campaign, Janusz Onyszkiewicz said: The military has no intention to ram through its candidates. If such a tendency appeared, it would raise doubts about the political neutrality of the Polish Army. One should not rule out that military candidates will be placed on the electoral tickets. However, it is difficult to imagine that they could be associated with antipresidential parties, because the Polish president is the supreme commander of the Polish Armed Forces.

Yet 1,500 Russian soldiers, 3,000 members of their families, and civilian employees, quartered in eight garrisons, remain in Poland, Brigadier General Zdzislaw Ostrowski, the government's plenipotentiary for the stationing of the Russian troops in Poland, reported on 12 July.

Yeltsin: No More Restrictions Against Russia

WS1207135393 Warsaw RZECZPOSPOLITA in Polish 10-11 Jul 93 p 17

[Article attributed to M.W.: "Some of Russia's Demands Fulfilled"]

[Text] Leaders of the world's seven economic powers dedicated 12 lines of the summit's final declaration to the countries undergoing transformation, "including

Middle and Eastern Europe, the Baltic countries, newly-emerged countries, and Mongolia." The reforms carried out in Middle and Eastern Europe are the most advanced.

The West has endorsed the reforms that are now under way, and will be implementing the principle "help for self-help." Russia earned 37 lines of the declaration, which confirmed the allocation of $3 billion for privatizating its state-run enterprises. The Western governments will persuade private businesses in their countries to engage in the privatization of the Russian economy. The group of seven admitted that Russian goods should have easier access to the Western markets, and that in the future, Russia should become a GATT [General Agreement on Tariffs and Trade] member. Restrictions on Western technology exports to Russian will be slackened. A special unit will be established in Moscow to monitor the implementation of the above resolutions.

Thus, the G-7 fulfilled some of the Russian demands, even though Boris Yeltsin, who talked with the Western leaders during the second and third days of the summit, expected more— recognizing Russia as an equal partner; providing more sizable aid; something what he described as "radically redrawing the Russian economic and political map," and lifting trade restrictions. At the press conference, Yeltsin stated that more progress was made in political rapprochement than in removing trade barriers with Russia. "We can no longer accept the use of antidumping and other restrictive practices against us," added the Russian leader. "The integration of Russia into the global economic system is a crucial issue for us," Yeltsin concluded.

U.S. Secretary of State Warren Christopher expressed the concern of his country over the fact that certain republics and regions have broken away from Russia, and also the hope that the current president will manage to keep the situation under control. In addition, Christopher emphasized Yeltsin's commitment to build a state based on a new constitutional law.

Yeltsin communicated to his summit partners that the Russian authorities were ready to disclose blueprints of the Chernobyl-type nuclear power stations to Ukraine and other interested countries as well as blueprints of the RBMK-type stations, the low security standards of which pose a considerable threat, to the European Community.

Boris Yeltsin has already been invited to the next G-7 summit, scheduled for July, 1994, in Naples. The Italians would like to see it more businesslike than pompous. For U.S President Bill Clinton, however, the Tokyo summit was an "exceptional success."

Iliescu on Relations With Greece

AU1207202293 Bucharest ROMPRES in English 1729 GMT 12 Jul 93

[Text] Bucharest ROMPRES 12/7/1993—President Ion Iliescu told in an interview with the Macedonian press agency of Greece that the traditions of Romania and Greece and their general interests were reasons serious enough for the expansion and deepening of the ties between the two countries, that there were good premises for that. "I was satisfied with the development of political relations (between Romania and Greece) over the past three-and-a-half years, characterised by mutual trust, amicable feelings resulting in close cooperation, both on a bilateral plane and in international bodies." President Iliescu showed content in the interview he granted to Spyros Kouzinopoulos, director general of the said press agency, that "the representatives of Greece have constantly supported Romania in European bodies, such as the Council of Europe and the European Communities."

"Romania and Greece have had similar stances and have been constructive, stability elements in their area, they have made efforts for a peaceful settlement of the conflict in Yugoslavia," mentioned the head of the Romanian state, in answer to a question on the Yugoslav crisis. "We are of the opinion that a military intervention is not of help in seeking solutions to conflicts, it usually worsens things."

President Iliescu showed optimism on Romania's prospects to overcome the difficulties it is being faced with. He mentioned that it was for the first time that the Romanian Government managed to put together a strategy for an economic reform, which offer a clearer, more coherent image of ways of actions. He added that a number of measures had already been taken (such as the removal of subsidies and the introduction of the value-added tax), apt to set links among economic agents on a sound basis and give strength to the whole economic reform. He mentioned that, despite blockages, progress had been reported in the activity of industrial units.

Speaking of political and economic processes in Europe, President Ion Iliescu mentioned alongside positive things, inertia in mentalities and outlooks not only in former communist countries, as one could expect, and the danger that a new barrier be set, a new iron curtain between the East and the West, economic this time. Ion Iliescu stated that "partnership relations with Central and East European countries are the chance today, for developed countries included. That can be a unique chance for everybody in the context of an integration between equals, not an integration supposing the subordination of eastern countries to western ones, as a 'hinterland' area of the West."

President Iliescu confirmed that he may pay a visit to Greece.

Parties Merge To Form Social Democratic Union

AU1207194693 Bucharest Radio Romania Network in Romanian 1000 GMT 12 Jul 93

[Text] A news conference of the Party of Social Democratic Unity [PUSD] was held today in Bucharest. The president of this political formation, Radu Theodoru, announced that on Thursday, 8 July, a protocol was signed for the establishment of the Social Democratic Union of Romania. The other parties who signed the document together with the PUSD, are the Romanian Party for a New Society, the Young Democracy Party, and the Romanian Socialist Party.

Mr. Radu Teodoru said that this alliance is open to other parties of a social democratic orientation and aims at eliminating the confusion of the electorate by reestablishing the political formation according to four decisive doctrines.

The parties included in this union presented a communique in which they express indignation about the acts of destruction of the national wealth, and ask for the elimination and punishment of those who are guilty of such acts.

To conclude the news conference, Mr. Nicolae Vide, PUSD vice president, informed those present that the party's economists are currently working out an anticrisis program to find concrete solutions to the acute economic problems.

Trade Minister Teculescu Discusses Trade

AU1307084593 Bucharest ADEVARUL in Romanian 6 Jul 93 p 3

[Interview with Trade Minister Constantin Teculescu, by Constantin Priescu; place and date not given: "A Possibly High Exchange Rate and Reduced Foreign Trade—a Strange 'Policy' Imposed by Some Banks on Romanian Exporters"]

[Text] [Priescu] Mr. Minister, what are the results "to date" in our foreign trade?

[Teculescu] The fact that the trade balance deficit has been reduced by some $100 million in the past five months constitutes a step forward. But although exports during this period represent some 19 percent of the total volume of industrial outputs—an important increase compared with last year—it is still 5.8 percent lower than in 1992. There are, however, other positive trends. First, the weight of the production required for exports, which expresses the capability of our industry to continue to be competitive despite certain opinions that it allegedly has no chance under conditions of intense competition in the single market—that of the market economy. Second, the increased weight of up to some 30 percent of consumer goods in the total volume of exports attests to the relaunching in the international market of the production of economic units operating with public and private capital. Last year, exports by economic units in this

sector amounted to 25 percent. Another positive element is the decrease in exports in kind from 32.1 percent, in the same period last year, to 21.4 percent this year, and its utilization for the acquisition of raw materials and certain consumer goods.

[Priescu] There is the belief that, as it is practiced today, the banking-financial system does not sufficiently stimulate exports. Can you comment on this assessment?

[Teculescu] With a few minor exceptions, the transition process found banks unprepared for the foreign trade activity in conditions of the market economy. Attempts were made, some of them successful ones, to bring the banking system to the level of the Western system. But, on the whole, the banking system does not sufficiently stimulate exports and the acquisition of hard currency through exports on the basis of an attractive policy on interest rates for hard currency and through attractive commissions, credit facilities, and the utilization of credit lines to modernize industry and especially the one manufacturing products for export, as well as through efficiency, a modern banking system, studies, information, specialized banking assistance, and so forth. In order to encourage exports and upon the request of the Ministry of Commerce, this year's state budget envisages 15 billion lei—to be handled by Eximbank—to "stabilize" the interest rate for credits granted by banks for exports. These funds are to cover part of the interest rate charged by trade banks for credits granted to economic units. At the same time, the state budget envisages 5 million lei to ensure, on behalf of the state and for its account, export credits against political risks. This sum is not enough. But what would economic units have done without these reserves given the current pressure by the level of interest rates? Aside from this "regulatory" fund, the same attention has to be paid by economic units and banks to acquiring hard currency resulted from exports. Your paper has signaled, and rightfully so, the phenomenon that certain economic units take hard currency out of the country; the consequence is that an important part of our country's hard currency is deposited in foreign banks outside the country. This happens both by not bringing the hard currency into the country and—equally important—by payment for possible imports which are not made.

[Priescu] Who is in charge of perfecting the relationship between the banking mechanism and exporters?

[Teculescu] To a great extent this is in the hand of the National Bank, which, in my view, should revise, as soon as possible, regulations on hard currencies, strengthen prudential control over trade banks, and cede the control over observance of hard currency regulations to an independent specialized body the way Western banks do this, which is undoubtedly more effective.

Labor Ministry Reports 1,036,382 Unemployed

AU1207175893 Bucharest ROMPRES in English 1436 GMT 12 Jul 93

[Text] Bucharest ROMPRES 12/7/1993—953,382 unemployed were on benefit-rolls on July 12 out of a total 1,036,382, according to data available at work force offices. 623,000 women are jobless (i.e., more than half of the unemployed). Workers bear the brunt of unemployment, with more than 828,000 of the total.

Statistics made by the Ministry of Labour say that 82,000 people cannot be granted unemployment benefits or support allowances as they do not meet legal requirements. The unemployment rate stood at 9.3 percent on 12 July, 6.018 workplaces were reported as available at work force offices, of which 5,600 for workers.

Foreign Media Bulletin: Balkan Crisis 14 July

WA1407153293

The following is an overview of current FBIS reporting on events in the Balkans. It supplements other FBIS reporting and consists primarily of selected summaries of longer reports. For reference purposes, serial numbers of the longer reports are provided.

SUMMARY

Croatia sends letter to United Nations saying they intend to reconstruct Maslenica bridge, reopen Zemunik airport ... Bosnian Croats report defeat of Muslims in Mostar area fighting ... Muslims report widespread Bosnian Serb attacks ... UNHCR chief Ogata visits Sarajevo, warns of depleted humanitarian aid supplies.

POLITICAL

CROATIA SAYS BRIDGE TO REOPEN (Zagreb TV): Croatian representative to the United Nations Nobilo sends letter to Security Council saying that Croatia intends to begin reconstructing the Maslenica bridge and to reopen Zemunik airport on 18 July. Nobilo warns Serbs that any attempt to obstruct construction work "will be construed as an act of aggression." Krajina Serbs have threatened to block any attempts to rebuild the bridge, which is located in a UN-protected area and which the Croatian Army attempted to recapture in a January offensive. (LD1307190993)

MILITARY

MUSLIM DEFEAT REPORTED IN MOSTAR (Zagreb Radio, Sarajevo Radio): Bosnian Croats say that a "Muslim offensive" in Mostar has ended "with the complete defeat of the Muslim army." Sarajevo Radio charges that Croatian "terror" in Mostar has "intensified" since the expulsion of international observers. (LD1307220593)

SERBIAN ATTACKS ON MUSLIMS: Sarajevo Radio reports Bosnian Serb attacks on Muslim forces in Maglaj, Gorazde, and Gracanica. Mayor of Trnovo, which was captured by Serbian forces on 10 July, says that the fall of the town has left the "doors to Sarajevo wide open" for advancing Serbian troops. (AU1407115493, AU1307152293)

HUMANITARIAN AID

INCREASED FUNDING FOR AID URGED (TANJUG): During a visit to Sarajevo, UNHCR chief Ogata warns that current reserves of humanitarian aid will last "no longer than one or two more weeks" for the 300,000 civilians in the besieged capital. Ogata says that she will ask for $200 million for aid during peace talks in Geneva. (LD1407130693)

Trnovo Falls; Sarajevo 'Open Wide' to Serbs

AU1307152293 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 13 Jul 93

[Text] The president of the War Presidency of Trnovo today issued a statement in which he describes the situation prior to the fall of Trnovo into the hands of the chetniks.

[Begin Mehmed Mesa Mulaosmanovic recording] After 11 days of superhuman fighting by the fighters of the 81st Hill Brigade and the people of the Trnovo commune, which took place on the Kijevo-Crni Vrh-Crna Rijeka-Dobro Polje-Trajista defense line toward Trnovo, and after over 50,000 of the most destructive projectiles were fired at us from all kinds of weapons, including helicopters, which fired an untold number of guided missiles against the dug-in and protected positions of our fighters, the defense lines of Trnovo—which had been so rarely mentioned over the year since it was liberated—collapsed on Saturday 10 July.

The Bosnia-Herzegovina Army Press Center issued a statement and that was all that has been known up till now. The suffering of the civilian population began on the day when one of the defense lines in Delijasi and [word indistinct] collapsed. From that moment the enemy started using destructive shells of all calibers to pound the villages well inside the free territory, setting them on fire one by one. Hamzici, Barovici, Delijasi, Paljevine, Durakovici, Voljanovici, Pasci, [word indistinct], and part of the industrial facilities in Trnovo were burned down. The exodus began. The well-known pictures of horror came one after another. All the roads through which the population was evacuated were constantly shelled with deadly projectiles. On top of that, the weather turned stormy with hurricane-force winds and heavy rain and hail, while higher altitudes even saw snow and below-zero temperatures. We watched these surreal images with our own eyes and braved them with great strength and [words indistinct] by the stormy weather, the women, children, and old folk. A truck full of refugees overturned, killing two and wounding 11 people. [words indistinct] women, children, and the old lay shivering under the trees.

It is certain that the weakened people will soon start dying of hunger, cold, and exhaustion. [words indistinct] since everyone has long ago given us up. Aid last came to Trnovo in January from the government's organization and other humanitarian organizations. Our appeals to the Bosnia-Herzegovina Presidency and Government, and to humanitarian organizations were all in vain. We have finally realized that Trnovo was never counted upon seriously as a free commune, even though it was so for a year. Tens of thousands of refugees from eastern Bosnia found shelter there. There is no help now, and we are not even asking for it. We are only stating that the truth is known, even though that will not help us. Our suffering is nearing the end.

The doors to Sarajevo are now open wide for the chetniks at Rogoj. Dear Sarelians, be prepared. The Trnovo fighters are on the front line facing the chetniks. Every one of them will defend his people to the very end. All military or other help will be welcome, and if there is none, they will still not pass. This is Mehmed Mesa Mulaosmanovic, president of the Trnovo War Presidency. [end recording]

'Alarming Epidemiological Situation'

AU1307162493 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 13 Jul 93

[Text] A session of the Sarajevo City Council was held today in Sarajevo in which the alarming epidemiological situation in the city was discussed. Mediha Colo reports.

[Begin Colo recording] The deteriorating epidemiological and hygienic situation in the city was discussed at the session. The spreading of contagious diseases like enterocolitis, viral hepatitis, and dysentery is becoming epidemic. The majority of those suffering from these diseases have been registered in Novi Grad. An appeal was again sent out the citizens not to drink the water that they get from hand pumps. The council discussed the closing down of restaurants [ugostiteljski objekat] in the city. So far 49 restaurants have been sealed off. Criminal charges will be brought against owners who force open the seals, and a prison sentence of up to a year has been envisaged.

It was said today that the security situation in the city has also deteriorated because of the irresponsible behavior of individuals. Just in the last four days grenades [kasikara] were thrown in four locations in the city. [end recording]

UN High Commissioner To Seek Urgent Funding for Sarajevo

LD1407130693 Belgrade TANJUG in English 1225 GMT 14 Jul 93

["Pool" item]

[Text] Belgrade, July 14 (TANJUG)—U.N. High Commissioner for Refugees [UNHCR] Sadako Ogata arrived in Sarajevo on Wednesday to see for herself the situation in this city and to assure Sarajevans that the UNHCR would continue its humanitarian actions.

Sadako Ogata, as REUTERS reported, would submit her report on Sarajevo to a Geneva meeting of 40 donor countries on Friday.

In Geneva, she would also seek urgent funding of at least 200 million dollars for assistance to Sarajevo, because the current reserves would last no longer than one or two more weeks.

In Sarajevo, lacking water and power supply for the past few months, there are over 300,000 civilians.

UNHCR spokeswoman Sylvana Foa said on Tuesday that at this time the UNHCR needed 40 million dollars for its August program alone. She told British Television that 200 cases of diarrhea were registered daily, sewerages leaked into streets and cellars, and the city was stinking.

She cautioned that the 300,000 people in the city were soon to begin to die in the wake of water and power shortages.

'Complete Defeat' of Muslims Reported in Mostar

LD1407121293 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 14 Jul 93

[Report by Zdenko Vranjes from Mostar]

[Excerpts] Judging by the latest developments on the frontline, an offensive by Muslim forces on Croatian Defense Council [HVO] positions south of Mostar, which started early yesterday morning, is reaching its end with the complete defeat of the Muslim army. To tell the truth, HVO formations are still engaged in sporadic fighting with smaller groups from the Muslim army, the main force of which was routed yesterday. Of course, the most important news is that the HVO formations regained their positions in Gubavica, a strategically important village on the Mostar-Stolac road. [passage omitted]

The best description of the ferocity of fighting and the defeat of the Muslim army is a report by the HVO operational zone for southeastern Herzegovina saying that 85 dead Muslim soldiers have been found in Buna and its surrounding area. [passage omitted]

Hand-to-Hand Fighting Reported

LD1307161793 Belgrade TANJUG in English 1551 GMT 13 Jul 93

[Text] Trebinje, July 13 (TANJUG)—Bosnian Moslems and Croats on Tuesday engaged in heavy clashes in the area south of the western Herzegovina town of Mostar in the former Yugoslav republic of Bosnia-Herzegovina, said Bosnian Serb Army sources in that part of the Herzegovina battlefront.

Explosions and shooting echoed through the Neretva River basin early on Monday morning, said the sources, adding that Moslem and Croat forces had engaged in hand-to-hand combat in some parts of the battlefront.

Fighting was the heaviest in the area of Buna about ten kilometres south of Mostar on the left bank of the River Neretva. The two sides clashed when Moslem forces launched a strong assault towards Buna and Gubavica in an attempt to seize the roads leading to Stolac and Capljina, reported Croatian radio. The radio did not mention casualties but the intensity of the clashes leads to the conclusion that there must have been some.

Moslems, who were more successful in the early morning hours, managed to partially push back Croat units but the latter then launched a strong counter-attack and stopped the Moslem advance, said the radio.

Sarajevo radio, which is controlled by the Moslems, did not report about the clashes.

Over the past few months, Bosnian Moslems and Croats, former allies in the war against Bosnian Serbs, have been locked in heavy mutual fighting over territories with mixed population.

Croats Expelling Hundreds of Muslims

LD1407090393 Belgrade TANJUG in English 0743 GMT 14 Jul 93

["Pool" item]

[Text] Belgrade, July 14 (TANJUG)—Bosnian Croats have expelled hundreds of Muslim civilians from Mostar, a city in Herzegovina, driving women and children across sniper-infested front-lines and jailing draft-age men, REUTERS quoted U.N. sources as saying on Wednesday.

According to the same sources, approximately 12,000 Muslims have been forced out of Mostar in the past three months. The largest part of the city is held by Bosnian Croats.

A U.N. source was quoted by REUTERS as saying that "the HVO (Bosnian Croat forces) is cutting loose and shifting ethnic cleansing into its final stages in Mostar. They bar any foreign aid workers from entering the city and are getting away with murder."

REUTERS recalled that the HVO had denied previous U.N. accusations of ethnic cleansing in Mostar, "saying that Muslims had been removed from homes temporarily only for their own safety or because they lived in buildings used for sniper attacks on Croats."

Mostar has for two months been the stage of fierce fighting between Bosnian Croats and Muslims, until recently allies in the war against Bosnian Serbs. Bosnian Croats have proclaimed Mostar the centre of their state community "Herceg-Bosna," although the city was originally predominantly populated by Muslims.

Before the 16-month ethnic and civil war broke out in the former Yugoslav Republic of Bosnia-Herzegovina, Mostar had a population of 126,000, of whom 34 percent were Muslims, 33 percent Croats and around 20 percent Serbs. All Serbs have been driven out of Mostar and environs.

Prison Camps Alleged

LD1307220593 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 13 Jul 93

[Excerpts] The fierce fighting between units of the 48th Mountain Brigade of the Fourth Corps of the Bosnia-Herzegovina Army and pro-Ustasha units of the Croatian Defense Council [HVO] is continuing in the southern zone of Mostar. Following a breakthrough of the total siege of Blagaj, Dracevica, and Gorice in which several thousand Muslims were for two months encircled by the HVO's extremist wing, supported by the Croatian Army, units of the Bosnia-Herzegovina Army managed to take control of several settlements this morning.

The fighting is currently in progress for the control of Gubavica, from which the HVO's heavy artillery has in the past weeks been systematically pounding and destroying Muslim settlements.

The command of the Fourth Corps said this evening that units of the 48th Mountain Brigade have linked up with the Stolac Bregava Brigade, whose certain units had been cut off in the hinterland of the Dubrava plateau. [passage omitted]

As we have learned in the command, both warring sides have suffered losses in manpower. The command of the Fourth Corps and its 48th Mountain Brigade has estimated that most of military operations have been completed today. Units of the Bosnia-Herzegovina Army have managed to push back fighters of the HVO and the Croatian Army and to take control of some strategic and tactically important positions. Fierce battles can be expected to continue tomorrow.

Units of the Bosnia-Herzegovina Army will try to take control of the entire area of Gubavica and Rotimlja.

The command of the Bosnia-Herzegovina Army's Fourth Corps has been informed by reliable sources that the HVO is continuing its fascist orgies and is mistreating and taking away the Muslim population of the region of Stolac to prisons throughout Herzegovina.

In this regard, it is known that several thousand men of Muslim nationality have been arrested and imprisoned in the Stolac ironworks, in Dretelj, and in the barracks in Capljina. However, it is feared that the tribunals of the HZHB [Croatian community of Herceg-Bosna] parastate phantom entity have already sentenced a number of undesirable Muslims who disagree with the dismemberment of Bosnia-Herzegovina and its division along ethnic lines. [passage omitted]

The command of the Fourth Corps announces that the terror, violence, and monstrous murders perpetrated by HVO assassins and their superiors from the parastate entity known as the HZHB have especially intensified since the commander of the extremist wing of the HVO expelled the EC observer mission, the UN Protection Force, the UN High Commissioner for Refugees, and the International Red Cross from the Mostar area. The command stresses that this was done precisely to cover up the mass murders and genocide of the Muslim people in Mostar and Herzegovina.

Sarajevo Radio Reports Maglaj 'Practically Destroyed'

LD1407113093 Belgrade TANJUG in English 1106 GMT 14 Jul 93

["Pool" item]

[Text] Belgrade, July 14—Croat-Moslem clashes continued unabated in central Bosnia on Wednesday, the Croatian Radio and Sarajevo Radios have said.

The heaviest fighting took place in the region of Maglaj.

The Moslem-controlled Sarajevo Radio said that 35,000 citizens of Maglaj had been encircled for 20 days, without food and medicaments. Croatian Forces on Tuesday shelled the town so heavily that it is now practically destroyed, the radio said.

Both the Sarajevo Radio and the Croatian Radio on Wednesday morning reported about heavy artillery and infantry fighting around the towns of Zepce and Zavidovici, central Bosnia, over the previous 24 hours.

Seven civilians were killed and 12 wounded on Tuesday in the Croat-Moslem clashes in the regions of Kiseljak, Kresevo and Fojnica, north-east of Sarajevo, the Croatian Radio said on Wednesday morning.

Bitter battles between Croat and Moslem units continued south of Mostar, Herzegovina, on Wednesday, said the Croatian and Sarajevo Radios.

The Croatian Radio said that units of the Croatian Defence Council (HVO—Bosnian Croat armed units) had stopped the Moslem aggression, taken the initiative and re-captured the positions they had lost in the region of the Buna River, a tributary of the Neretva. Nine HVO soldiers were killed and 20 wounded in the clashes on Tuesday, HVO sources said.

The Sarajevo Radio, however, on Tuesday night said that Moslem forces were advancing south of Mostar.

Muslim Attacks in Kiseljak; Kresevo Threatened

LD1307173793 Mostar Croatian Radio Herceg-Bosna in Serbo-Croatian 1600 GMT 13 Jul 93

[Report by correspondent Ankica Posavljak for Herceg-Bosna radio from Kiseljak]

[Excerpts] There has been no electricity in Kiseljak for 22 days now, and there are many problems with the water supply. The town is swelling with an increasing number of refugees from Fojnica and Kresevo. There are no hospitals in these three municipalities or any other medical institutions that could provide adequate medical care for the growing number of patients. [passage omitted]

Muslims fired more than 300 howitzer and mortar shells on Kiseljak last night and yesterday, particularly targeting Brestovsko, Brnjaci, and the Kiseljak town center. Four persons were killed and 17 wounded. [passage omitted]

Muslims are amassing their forces on Mount Inac above Kresevo, indicating the possibility of fresh Muslim attacks. Fighting is in progress in the villages of Malkoc and Polom in the Fojnica municipality. Muslim forces are grouping in the Dezevice-Kriz-Polom area. [passage omitted]

Gorazde Attacks Continue; 'All-Out Offensive' Feared

AU1407115493

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1000 GMT on 14 July, within its newscast, carries the following fighting reports:

The announcer in the studio reports that "the aggressor used artillery of the largest calibers late into the night" throughout the zone of responsibility of the Seven South Operative Group. As she says, besides Maglaj, Tesanj was also shelled.

A dispatch by Seven South Operative Group of the Bosnia-Herzegovina Army adds to this that "several civilians died or have been injured" in these attacks. As it is said, "food and medication are running short" but "all the lines of defense are firm and stable." "Infantry arms and artillery provocations along the defense lines of Doboj gained in frequency, while the bestial destruction of the civilian villages of Krasevo, (?Martuzici), and Mravici continued," the dispatch also reports. The report also notes "helicopter overflights" toward Doboj and Maglaj.

"The aggressor's attacks on the free Zavidovici territory do not cease," the announcer in the studio continues to report. According to her, "the aggressor attempted an infantry breakthrough, which was nipped in the bud" last night. "The united aggressors continued to open fire at Dubravice during the night," she says, while "there have been sporadic aggressor's provocations in other parts of Zavidovici battlefield, which persisted this morning."

She then reports that "the attacks at free Brcko territory continued overnight, too." "The movements of enemy units have been observed in this region, as well as overflights of the aggressor's helicopters." She says that the defenders "responded readily" to the "chetnik attack" on Rijeke. "Omerbegovaca, Licki Most, Brod, and Brodusa were not spared enemy attacks either," she adds. "The chetniks" at 0200 GMT this morning again attacked Bajici, both the defense lines and the civilian quarters, with mortars, she says. "In the Bihac region, the situation was, last night, the most difficult in the region of Bosanska Krupa and (?Bosanska Otoka)," she reports. She also reports a regrouping of enemy forces in the area of Crno Jezero.

The announcer then says that "the aggressor's attacks continue in the region of Gorazde today," and introduces a Mustafa Kurtovic dispatch from this town.

Kurtovic reports that "the aggressor fiercely shelled all the defense lines toward Cajnice this morning," noting that the greatest number of "destructive projectiles" landed on Trebesko Brdo. He "warns the UN Security Council and the cochairmen of the peace conference, Owen and Stoltenberg, to immediately undertake measures that would prevent an all-out offensive at Gorazde." Correspondent also urges UN High Commissioner Sadako Ogata, who is visiting Sarajevo today, to help Gorazde by trying to secure the arrival of a humanitarian convoy in this town.

Salih Brkic reports that "the chetniks have been firing sporadically with artillery and infantry weapons" in the Gracanica area "during the last few hours." "On Kalesija battlefield the aggressor opened fire with 82-mm and 120-mm mortars on several occasions," Brkic also says.

Commentary Analyzing Muslim Military Power

AU1207094993 Split NEDJELJNA DALMACIJA in Serbo-Croatian 30 Jun 93 p 11

[Fran Visnar commentary: "'Angry Muslims' Ready for a Long-Lasting War"]

[Text] "I do not like you, Alija, because you are balija [pejorative name for the Bosnia-Herzegovina Muslims]... May the Drina bring you a hundred mojahedins every day."

The refrain of this malicious propaganda "folk" song, often broadcast on the united Serbian radio stations of the "krajinas" these days (their reception is excellent on the territory of Bosnia-Herzegovina and in some parts of Croatia and Serbia), is completely in accord with the thesis supported by a section of the media in Croatia: Alija Izetbegovic's days are numbered and he will certainly be replaced by a "more moderate" and a "more reasonable" Fikret Abdic. Such an opinion was definitely created too early. It does not take into consideration at least two things.

"Sarajevo Hardliners"

Izetbegovic is just the oldest and the most famous representative of what the intelligence services would call "Sarajevo hardliners." Even if he leaves, several other, even more inexorable "angry Muslims" will remain. At home, it is Alija's right hand Ejup Ganic, who no longer conceals his opinion about Herceg-Bosna and the Herzegovinians and, in that, he is supported by the Bosnian military leadership. Rusmir Mahmutcehajic, the number one in the Bosnian military industry, and Rasim Delic, who functions as commander of the

Bosnia-Herzegovina Army in place of the compromised Sefer Halilovic, are, apart from their ideological strength, also first in the organizational regrouping for a long-lasting war. But, instead of being a sweet Turkish delight for Croatian global politics, Delic is a "bitter almond" and a man who will, as the former head of the Department for Strategic and Operational Planning, realize Alija's statement that Bosnia-Herzegovina is now like France in 1940—"divided and in most part occupied, but not entirely defeated"—which, in turn, means that, for the Muslim homogenized state "incomplete" leadership in Sarajevo, the war has just begun and that serious preparations must be made for several (three to five) years of warfare with varying intensity. Therefore, the keys to peace or war are nevertheless in Sarajevo, in which the potential presidential candidate Fikret Abdic (influential only in Cazin krajina, in Velika Kladusa, and "Agrokomerc") would, at present, feel like a rich American who had strayed into Tehran hoping to persuade the local Ayatollahs to make lucrative business deals.

The other fact is the affirmation of the Sarajevo hardliners in the world, especially in the West and in the United States, through the activities of two supremely well-educated Muslims; Haris Silajdzic and Muhamed Sacirbej. Their appearance and style are completely different from the old-fashioned and insipid bureaucratic vocabulary that is still used by Fikret Abdic and people around him. Haris Silajdzic and Muhamed Sacirbej practically think in English, they know all diplomatic nuances, and fit perfectly into the Western professional diplomacy, while the thought that Alija and his party of "loyalists" might be replaced by the "manufacturer of biscuits and poultry," is met with contemptuous grins. These two young Muslim technocrats are the key people for puncturing the last "lifeboat" that was pushed into uncertainty by the politics of Alija Izetbegovic.

Silajdzic and Sacirbej are aware that they cannot persuade Russia, Great Britain, France, and the EC to lift the arms embargo. However, by persistently repeating their demands, and by their way of presenting and defending them, they are slowly softening the Americans and the Germans, even the Spanish, and they are sending the entire Islamic world the music it likes to hear.

For example, in Egypt, Sudan, Syria, Pakistan, Malaysia, and Turkey, increased propaganda activities among the Sunni Muslims were noted, more or less supported by the authorities (radical Shiites from Iran, Lebanon, and Afghanistan are already in Bosnia-Herzegovina). Another round of recruiting volunteers for the **jihad** is under way at this moment. To be sent to Bosnia, the volunteers must have military experience and be used to treading on blood. Various Palestinian factions, the Kurds, and independent mercenaries are also offering their services. Pilots, mechanics, radar experts, pyrotechnic specialists, and specialists for biological and chemical warfare are enlisting as well. If this informal recruitment is realized, and the government of Bosnia-Herzegovina pays for all additional expenses, another 6,000 "holy warriors" will flood the battlefields of Bosnia-Herzegovina. Let us, for a moment, imagine what would happen if two fresh and heavily armed mojahedin brigades come to Bihac. Facing the Islamic attack and mass fighting, in which the Serbs would probably get involved too, it is quite illusory to speak about a separate, demilitarized Muslim state in Cazin krajina as a counterpart to the one in central Bosnia.

"Muslim Strategic Brain"

That is why estimates that Fikret Abdic or Franjo Boras, by skillful political maneuvers, will "break Izetbegovic's legs," are basically wrong. Indeed, if this should happen, after him, the Sarajevo hardliners will no longer have to maneuver and compromise. And that the Islamic countries are really prepared to help such an uncompromising ideological orientation and strategic choice is evident from numerous indicators which, after being fitted into a mosaic, do not even bother the United States. There are informal rumors in NATO that Washington, in order to pacify the Arab and Islamic countries concerned because of the new missile attack on Baghdad (for which, according to them, there was no strong cause), might "turn the blind eye" and tacitly let the Bosnia-Herzegovina Army receive all the weapons it needs.

In Sarajevo, the **Department for Strategic Planning**, which is, in its entirety, controlled by soldiers loyal to Izetbegovic, planned the arrival of weapons in three phases. In the first phase, there will be exclusively defensive weapons. These are modern antitank missile systems that can be effective at a distance of 50-65 meters from the target, puncture 660 mm armor, and safely guide the missile even at a distance of 6,000 meters. All Serbian and Croatian tanks would then become more vulnerable, so they would have to exercise caution. Moreover, in this phase, modern howitzers and artillery guns (better than previous models) are also supposed to be delivered, as well as multiple rocket launchers of various calibers, whose destructiveness and range overshadow the possibility of the Serbian "Oganj" and "Orkan."

In the second phase, according to the plans of the Department for Strategic Planning in Sarajevo, the Bosnia-Herzegovina Army should be equipped with even stronger systems delivered mainly from Iran, Saudi Arabia, Turkey, and Pakistan. These are primarily mobile antiaircraft missile launchers (made in France, South Africa, and Great Britain), type "Crotale" ("Cactus"), "Shahine" [Thomson-CSF] and "Rapier," as well as the famous antiaircraft rocket launchers, "Stinger" and "Red Eye" (United States), and RBS-70 (Sweden). The Bosnia-Herzegovina Army intends to deploy them around Butmir airport and the Dubrave military airbase and heliport near Tuzla, in order to protect humanitarian flights and transports. The runway in Dubrave is supposed to become the most important framework of the Bosnia-Herzegovina Army airpower, because, in this phase, they count on getting second-hand, but well-preserved, Islamic helicopters of Western

and Russian origins ("Bell" and "Mikojan") able to carry all kinds of cargo and perform attacks. Twelve countries from the Arabic and Islamic world are listed as reliable suppliers, as well as traders from the international "black market" for arms sales.

"Mortal Danger for the HVO"

If, due to the inability to deliver, the missile antiaircraft defense system is out, the Bosnia-Herzegovina Army has an alternative option: it can deploy the 20-mm M-163 "Vulcan" six-barrel rotating antiaircraft guns [20-mm self-propelled antiaircraft gun system] manufactured in the United States (whose fire is guided by its own radar), which is nowadays in the possession of many Islamic countries (Jordan, Saudi Arabia, and so forth). The contingent also has similar weapons made in Russia, owned by the Arabs.

The heaviest equipment will arrive in the third phase: 105-mm, 122-mm, 155-mm, 175-mm, and 203-mm self-propelled guns, tanks, and light transport vehicles (supplied by Syria, Turkey, Iran, Egypt, and Saudi Arabia). With 100 tanks, 60 self-propelled guns, 200 transporters, and all of the above-mentioned high-quality technology for which it has a sufficient number of people—the Bosnia-Herzegovina Army would be able to achieve an almost equally balance with the Serbian units and begin offensive activities on several important battlefields. The declaration of total war would endanger the HVO [Croatian Defense Council] units to the point that direct military involvement by Croatia could not be avoided regardless of the cost. And that would mean jumping into boiling water for Zagreb.

Abdic Criticizes Izetbegovic's Leadership

93BA1191A Zagreb DANAS in Serbo-Croatian 25 Jun 93 pp 9-11

[Interview with Fikret Abdic, member of the Bosnia-Herzegovina Presidency, by Damir Jurisic; place and date not given: "Alija Is Responsible for the Disaster"]

[Text] Fikret Abdic, the legendary Babo of Krajina, is again at the center of attention of the international public after a 10-month absence from the public and political scene. On his return from Geneva, he was met at the airport by thousands of refugees and displaced persons from Bosnia-Herzegovina who are embittered, and with tears in their eyes asked Fikret for words of consolation and encouragement. The tireless Babo, visibly exhausted after the strenuous Geneva talks, patiently listened to the aggrieved people, encouraged them, and made a firm promise that he would do everything in his power to finally bring an end to their troubles.

The international public and influential political figures have commented on the last round of Geneva negotiations to the effect that the new person from whom the international community expects reconciliation and coordination of the interests of the different nationalities of Bosnia-Herzegovina is Fikret Abdic, of whom they all say that he is "the figure who is emerging."

[Jurisic] Many of the foreign media already see you as the new helmsman of the Bosnia-Herzegovina Presidency. Much like the refugees who met you at the airport in Split, they see in you a man who is trusted and who can bring constructive new winds onto the foggy Bosnia-Herzegovina political scene. What is your thought on that?

[Abdic] On this occasion, I would like to emphasize once again, as I have done countless times up to now, that I am not interested in power. Had I wished to be president of the Bosnia-Herzegovina Presidency, I would have been, because it should not be forgotten that it is I, Fikret Abdic, who got the highest number of votes in the first postwar, multiparty, and democratic elections in Bosnia-Herzegovina and thereby obtained the absolute legality and legitimacy to assume the office of president of Bosnia-Herzegovina. That was the greatest satisfaction to me. But, unfortunately, many malevolent people, even in the highest bodies of government in Bosnia-Herzegovina, began immediately after the election and have continued to this day in a persistent desire to turn that election victory and political triumph of mine into a political defeat. Every sentence of mine that expressed criticism, every opposite position or debate in the Presidency with those who disagree with me has been met with drawn swords by some people and there has been a continuing attempt to interpret this as Fikret's try at carrying out a putsch. I really was not interested in that, especially in view of the fact that many people, who unfortunately have been plotting against Bosnia-Herzegovina, have sacrificed thousands and thousands of human lives in order to hold office. At this point, it is much more essential to stop this tragic bloodshed, to put an end to this dirty war. We should all set out toward that goal, overcoming all personal disagreements and intolerance. Nothing is worth more than human life, which has become cheaper than even a rifle cartridge to the protagonists of this massacre, which is unprecedented in the world.

[Jurisic] Is that the direction taken by the first round of Geneva talks, have the talks gone back to the beginning, to Lisbon?

[Abdic] The difference between Lisbon then and Geneva now is great. If by some chance at that time in Lisbon Bosnia and Herzegovina had been set up as a state of the three constituent nationalities, that is, of three ethnic or political entities, as this is being interpreted after Geneva, there probably would not have been 200,000 people dead, one million displaced, raped, and massacred, nor cities and villages burned. If at that time Alija Izetbegovic and Rusmir Mahmutcehajic, who signed the Lisbon conception, had been honest with the people and said: "We favor a civil state (if in fact they do), we are not in favor of any divisions into ethnic entities, but we are not certain that that conception can be implemented without shedding the blood of the Muslim people. At this

point, we feel that human lives, and indeed our people as a whole, are more valuable than all the rest, and we suggest to you adoption of the Lisbon conception, whereby we would lose the state we desire, temporarily let us hope, but in return we would preserve an entire people," I am quite certain that they would have won the support not only of the international community, but also of a majority of the Muslim people in Bosnia-Herzegovina, and they would have gone down in history as politicians who preserved an entire people from genocide and unprecedented bloodshed.

[Jurisic] Was their unrealistic assessment of the defensive capability of their own people one of the main reasons for their bad political moves, which, unfortunately for the Muslim people, were only a bloody experiment, and not the first in their history, or were they advocating a civil state in public, while actually they were working to create some state of their own?

[Abdic] I am the only one to have criticized their policy publicly, without mincing words. They have always proclaimed me a man who loves power and who wants to replace Alija Izetbegovic. When they realized that that was not my objective and that I am absolutely uninterested in any public office, they were unable to erase the election results before the eyes of the public in a single stroke, so then there were various bolshevik imputations and attempts to discredit me. But I pay no attention to that, especially not at moments when our state is bleeding unstoppably and more and more abundantly, and the number of corpses is increasing with every passing hour. So, as for the question you put, I think that both are involved. Those people surrounded themselves with their relatives and yes-men and were unable to accept well-intentioned criticism of what they did. The intelligentsia, cultural and public figures, in short, the flower of Muslim intellect, was stifled alongside them. After all, a policy being conducted with the best intentions must be criticized, but they do not accept criticism. Those who dared oppose their devastating political decisions fell into disfavor very quickly. That is why we are where we are now, and individuals from the top political leadership of Bosnia-Herzegovina are still following their own line. It does not seem that our people, who have suffered horrible genocide, rapes, massacres, who have been resettled, dishonored, and humiliated by the millions, are not behind such a policy. What more has to happen for the protagonists of such a policy to realize who they are, where they are, and what they are doing? Probably new bloodshed, twice as many casualties....

[Jurisic] In the meantime, the war in Bosnia-Herzegovina is continuing. One round of the Geneva negotiations has been completed. The second is yet to begin. Alija Izetbegovic and Ejup Ganic have refused to attend those negotiations. What now?

[Abdic] First, I think that Alija Izetbegovic's statement about not attending the negotiations in Geneva is irresponsible and in that context, as indeed innumerable times before this, the role of the president of the Presidency, that is, the first among equals, has been exaggerated. There is no longer any time for experiments. A great deal of blood has been shed. We should go to Geneva and through tough negotiations, if necessary, arrive at peace and an end of the killing of innocent people. That is a much more important issue than political office and position, which is what the very top group of Bosnia-Herzegovina bigwigs in Sarajevo is fighting for. They are not fighting for the state of Bosnia and Herzegovina, nor for their own people and their lives, but for the death of those others and for their own political offices and positions. Certainly no one in his right mind is going to want to live in that kind of state. Someone must finally speak out in that way because of the thousands and thousands of people who have not yet been slaughtered, who are potential casualties tomorrow unless there is an end to the disastrous policy. The citizens of suffering Sarajevo have been calling me in Kladusa day and night over the satellite telephone and pledging that they will help. Babo, they say, we voted for you and we trust you, save us from this torture. Such cries for help are heart-rending. All of us have a duty and responsibility to help the innocent population of Sarajevo, Gorazde, Maglaj, Doboj, Gradacac, Brcko, Tuzla, and I need not go on. I think that the last hour has struck for that.

[Jurisic] Are there political and moral forces for such a radical change of direction in the present top political leadership of Bosnia-Herzegovina?

[Abdic] I think there is. All the wisdom of this state and all the political power are not concentrated in Sarajevo, in a single man and in his toadies. Visit the tortured people in Bosnia-Herzegovina and the millions of refugees and you will hear their embittered reflections. They are entirely sick of it. Should we thrust this innocent people further into ruin, or should we act more humanely, intelligently, and wisely in accepting a global conception of Bosnia-Herzegovina which above all guarantees cessation of the slaughter and the killing?

[Jurisic] The meeting of the Bosnia-Herzegovina Presidency in Zagreb ended on Tuesday night. Alija's top deputy, Ejup Ganic, informed the public that Mr. Izetbegovic would not attend the meeting, and then nevertheless he and Mr. Silajdzic did come to the meeting in the late evening hours. It was obviously very tense in that meeting. What was discussed?

[Abdic] The state of war in the country, that is, the undiminished Serbian offensive operations, the problems of relations between Muslims and Croats, and the Geneva Conference that preceded that meeting, which was both a working meeting and an advisory meeting, had a decisive impact on the course of the meeting and the positions of members of the Presidency. You know that this is the first time we have managed to meet in 10 months because of a number of wartime circumstances, and the responsibility placed on us this time is all the greater because we had to make a decision on the crucial

dilemma—to go to Geneva or to refuse to participate? A decision of all the members, except for Ganic and Izetbegovic, of course, confirmed the necessity of going to Geneva. This, in my personal assessment, means that at this decisive moment reason has won out over politically hasty and half-baked moves which up to now have pushed us into new bloodshed. The international community has called upon us to be ready to accept the real state of affairs in the country and the attempt to restore peace, which would be followed by agreements concerning the future model to be followed in arranging relations in Bosnia-Herzegovina.

I repeat once again that all the experience of the world in the past has also confirmed that, after all, the worst disputes are nevertheless decided through negotiations, this must also mean to us that it is high time that we all sit down at the negotiating table. Messrs. Izetbegovic and Ganic have every right to refuse to participate in the resumption of the Geneva negotiations, but it would be extremely impermissible and undemocratic of them to deprecate the decisions of all the other members of the Presidency in favor of going and to try to impose their own view at a time when a large segment of the people obviously wants a peaceful solution to be found quickly.

[Jurisic] You are now in a very delicate position. You are going to Geneva as the only representative of the Muslim people, because Izetbegovic and Ganic, "because of urgent and pressing affairs in Sarajevo," have refused to take part. Are you afraid that they will accuse you of betraying the Muslim people?

[Abdic] They are constantly accusing me. They first accused me of being a chetnik only because I tried to establish good relations between Muslims and Serbs when that was still possible. Now they are accusing me of being an Ustasha, because I am the only member of this people to speak out for disrupted relations between the Muslim and Croatian peoples in Bosnia-Herzegovina to be straightened out as soon as possible. So, in no way have I injured my Muslim people, but I have called upon it to do everything in its power to end hostilities with the Croatian brothers as soon as possible. It is natural for me as a Muslim to ask this of my people and for the Croatian representatives to also demand the same from their people. For the rest, we need to try to punish those responsible for these conflicts and to attempt to mitigate the new problems that have arisen with the numerous refugees and displaced persons, both Muslims who are in friendly Croatia and also displaced Croats. It is nothing new for my political opponents to put me in the Croatian camp at this point, because the very next day they will put me on that side which is a thorn in their side at the moment. But the harder they try to discredit me, the more the people back me up. The same thing happened 10 months ago when I went to the region of Bihac. The local leaders, who had been blindly obeying orders from the Sarajevo headquarters, told me that I no longer had the support of the people, and after that I convened a meeting of the entire Bihac district and obtained support in the form of a plebiscite on all vital issues. So, I am the only politician who even in wartime has verified his high rating with the people and proven that these local bigwigs have no real connections with their people. On this occasion, I would like to emphasize that I obtained public support not only from the Muslim people, but also from the Croats and Serbs who have continued to live there.

[Jurisic] While the meeting of the Presidency was still going on, we heard the charge behind the scenes that in your role as head of the delegation you would consent to division of Bosnia and Herzegovina into three parts.

[Abdic] First, I am not going to Geneva as the head of the delegation of Bosnia-Herzegovina. Although the other members of the Presidency asked this of me, in order to avoid all possible calculations and speculations, the decision was made at my suggestion that that role be entrusted to Mr. Franjo Boras. As for the accusations, this is above all a problem of their authors. I am trying to take an honest view and relationship both to my own people and the other nationalities; I think that that is the cornerstone of the confidence the people have in me. I have the strength and intelligence, and also the courage, to respond appropriately to such blows.

[Jurisic] Might one of those blows be the latest press release of the main headquarters of the Bosnia-Herzegovina Army, headed by the newly elected commander, Rasim Delic, which mentions your name in a negative context?

[Abdic] That most recent press release is only a continuation of the activity of the top military leadership of our state, which has always been half-baked and, above all, politically harmful. We had the same old story during the recent political excursions of Sefer Halilovic, until recently the first soldier in the Bosnia-Herzegovina Army, now removed, who assumed the right, as Rasim Delic is now, to become involved in politics and in a futile debate with Fikret Abdic, member of the Presidency, who is absolutely his superior under the Constitution. What is more, neglecting all the political decisions and agreements of the top leadership of Bosnia-Herzegovina, as well as of international factors, and bringing water to their mill, which unfortunately has never up to now ground anything good, is a further step toward disaster, which cannot be avoided with such fruitless press releases and attempts to put individuals in the top military leadership behind just one option and with the individuals who pushed that option regardless of the blood that has been shed up to now and the thousands of innocent victims. That is why I feel that the Presidency should finally take a critical attitude toward such harmful statements by military leaders, so that the suffering peoples in Bosnia-Herzegovina and the international community do not get the wrong idea about our army as a private army of powerful individuals in the top military-political leadership of Bosnia-Herzegovina. The Army, after all, does not belong to Delic, nor to Izetbegovic's, Ganic's, or Abdic's presidency, nor are the fateful decisions a matter only of powerful individuals

who for more than a year now have been playing heedlessly and impudently with the nationalities and the state.

[Jurisic] Can you tell us, Mr. Abdic, what you expect from the new round of Geneva negotiations?

[Abdic] None of us individually holds the keys to war and peace in his hands, but it is high time for all three sides to reach an agreement on this. Because proposals concerning the constitutional arrangement and territorial demarcation of Bosnia-Herzegovina are expected from the Serbian and Croatian sides in Geneva, along with a decision of the Bosnia-Herzegovina Presidency, we will have a summary view of the demands and desires and also of the possibilities for compromise solutions. We can reawaken the desire of all three nationalities to see in the state of Bosnia-Herzegovina the opportunity to pursue all their interests. For one nationality to impose decisions on another nationality or for solutions to be imposed by force should stand as past experience and a warning for the future because of the blood they have cost us. It is high time for a return of mutual trust and safety, to overcome the gap and the fear which have been growing every day, and none of that is feasible without peace. It is never too early to bury the hatchet, but rather it is always too late. Irrational fears of the spirit, fear, hatred, and killing must stop. That is the sole reality. The internal arrangement of Bosnia-Herzegovina becomes our own business only when we demonstrate to the world community that we are able, each of us, to represent the interests of his respective nationality, but not at the expense of another nationality. Until then, we all remain perpetual losers.

HVO Confirms Fighting, Many Casualties in Mostar

LD1407090093 Zagreb Radio Croatia Network in Serbo-Croatian 0800 GMT 14 Jul 93

[Report by Croatian Radio correspondent Zdenko Vranjes from Mostar]

[Text] Heavy artillery, mortar, and infantry fighting between Muslim forces and the Croatian Defense Council [HVO] took place in throughout Mostar last night. The heaviest fighting is still in progress on the southern frontline, particularly around the village of Gubavica [20 miles south of Mostar]. HVO formations managed to regain their positions in Buna [15 miles south of Mostar] which the Muslim forces had seized at the beginning of the attacks yesterday. Muslim attempts to seize the Dubravska plateau were checked; Muslim forces in Gubavica are completely surrounded.

In Muslim attacks on Buna and Dubravska plateau yesterday, nine HVO members were killed while a number of others were wounded, the HVO operative zone for southeastern Herzegovina has said. The Muslim side suffered huge losses. According to the same source, in Buna alone more than 50 dead Muslim soldiers were discovered and identified. Several Muslim soldiers were taken prisoner, while previously infiltrated sabotage groups have been routed or are surrounded.

Bijelo Polje was peaceful last night. Along the urban front line in Mostar sporadic infantry and mortar fire was heard overnight; two HVO members were lightly wounded.

Letter to UN on Reopening Maslenica Bridge, Airport

LD1307190993 Zagreb HTV Television in Serbo-Croatian 1730 GMT 13 Jul 93

[Text] Dr. Mario Nobilo, permanent representative of the Republic of Croatia to the United Nations, sent a letter today to Security Council Chairman Sir David Hannay informing him about the measures Croatia intends to take in conformity with Security Council Resolution 847 regarding the restoration of road communications across the strait of Maslenica and the decision to reopen Zemunik airport to passenger traffic.

Dr. Nobilo stressed in his letter that the reopening of the Maslenica bridge and Zemunik airport represents a significant step in normalizing the situation in Croatia. He expressed the hope that the Security Council and the UN Protection Force will take appropriate measures to implement the Croatian Government's decisions.

Nobilo warned that Serb rebels have tried to obstruct the construction work at the site of the future bridge on several occasions, but added that, despite their threats, the Republic of Croatia remains determined to go on with the construction of the pontoon bridge and to open it as envisaged.

Every attempt to halt this process will be construed as an act of aggression.

UN Vehicles Stopped in Krajina for Carrying Arms

LD1307165793 Belgrade TANJUG Domestic Service in Serbo-Croatian 1549 GMT 13 Jul 93

[Text] Topusko, 13 Jul (TANJUG)—A UNPROFOR [UN Protection Force] convoy consisting of 10 trucks was stopped at a border crossing point between the republic of Serb Krajina (RSK) and the Republic of Croatia last night because it was transporting weapons. The convoy is presently waiting in the neutral zone near the [Karlovac] suburb of Turanj.

TANJUG's correspondent reports, citing Serb sources, that 40 metric tons of ammunition and antitank hand grenades were discovered during a routine control of the UNPROFOR convoy's cargo.

Members of the Polish battalion, who were escorting the convoy, declared that the arms were being transported for the needs of UNPROFOR forces.

However, Serb border-control officials claim that an attempt had been made to transport the arms shipment without the necessary documents and permission of the Krajina authorities. Moreover, they said, it is unclear why the convoy's cargo included antitank hand grenades, which members of the peacekeeping forces are not allowed to use.

An explanation was demanded from UNPROFOR officials, but in the meantime, the Poles, enraged over the denial of their entry into Croatia, "responded" by summoning two armored personnel carriers to the Turanj crossing point.

This resulted in heightened tensions at the border checkpoint.

Following a two-day blockade, the Turanj border crossing point was crossed last night by 60 vehicles belonging to international organizations, most of which were Office of UN High Commissioner for Refugees trucks and military vehicles belonging to the French battalion.

This convoy was blocked by the authorities of the Republic of Croatia in an attempt, it was learned unofficially, to prevent the delivery of humanitarian aid to the Muslims in the Cazin Krajina.

UNPROFOR's command in Zagreb had lodged several protests to this effect with the Croatian leadership, which gave in to the demands.

Bosnian Presidency To 'End Clashes' With HVO

AU1307120993 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 13 Jul 93

[Report by Nada Al Isa from Zagreb]

[Text] The members of the Bosnia-Herzegovina Presidency are returning from Zagreb to Sarajevo today. Their first task upon their return will be to end the war between the Croatian Defense Council [HVO] and the Bosnia-Herzegovina Army, Presidency member Ejup Ganic stated for Bosnia-Herzegovina Radio and Television. By this, Ganic says, the clashes will be ended [words indistinct] where this (?was) the easiest. These clashes between the Bosnia-Herzegovina Army and the HVO [words indistinct], Ganic believes, it will be easier to (?proceed). [passage indistinct]

The ending of the fighting, not only between the Bosnia-Herzegovina Army and the HVO, but also throughout Bosnia-Herzegovina is actually the main (?condition) for the realization of what the Presidency members have been discussing in Zagreb for two days and have finally agreed upon, that is, that Bosnia-Herzegovina be constituted as a federal state. Namely, [words indistinct] cannot be achieved by [word indistinct] constitution of Bosnia. For this reason all Presidency members agree that the clashes between the HVO and the Bosnia-Herzegovina Army must end immediately. The efforts to achieve this will begin at once—today, already.

Russia's Churkin To Visit Zagreb Friday

LD1407075993 Zagreb Radio Croatia Network in Serbo-Croatian 0700 GMT 14 Jul 93

[Text] Vitaliy Churkin, Russia's deputy foreign minister and President Yeltsin's special envoy, is to pay a working visit to Zagreb the day after tomorrow [16 July], HINA has learned from the Russian Embassy in Zagreb. During his visit Churkin is to have talks with Croatian leaders, and after his visit to Zagreb he will visit Belgrade, the same source said.

Anti-Muslim Hysteria in Media Criticized

93BA1191E Zagreb DANAS in Serbo-Croatian 25 Jun 93 pp 32-33

[Article by Miljenko Jergovic: "Goals Journalists Scored on Themselves"]

[Text] First a soldier of the HVO [Croatian Defense Council] appears on the screen. He speaks into the reporter's microphone about all the evils which the Muslims have committed against the Croats, vividly describes a massacre and sufferings and finally emphasizes that "there never was an alliance between the Croats and Muslims, nor could there ever be," because "the Muslims want to destroy everything that is Christian, be it Croatian or Serbian." Then we look at a group of women and children in which the camera singles out a gray-haired woman in her fifties who speaks with a strong central-Bosnia accent about "relations that have always been good between Croats and Serbs, which the Muslims spoiled," and about Alija "who wants to destroy everything that is Serbian and Croatian." The woman thanks the Serbs for everything they have done for her and hers and emphasizes that she will never forget it. The camera zooms out, the voice-over is the voice of the reporter who leaves it to the audience to "judge for themselves whether there are Serbian concentration camps in Bosnia-Herzegovina" or the Serbs are helping the "Catholic women, children, and the elderly" and she asks "Will the Croats thank the Serbs once again by attacking the krajinas in Croatia?"

That is the end of the segment, the face of Sasa Kopljar appears on the screen once again (fortunately), and this brings the viewer back from the Serbian nightmare steeped in Muslim-Croatian shame. But the shame lies on the souls of those who have driven out their neighbors and those in Croatian uniforms who tell the Serbian television cameras just what Seselj, Karadzic, and Milosevic would like, at least for the moment.... But let us forget that HVO soldier, let us also forget the journalistic triumphalism of Serbian paratelevision, and let us open Croatian daily newspapers. VJESNIK, for example. We read in it how a dismayed correspondent from Split describes the sufferings of the Travnik Croats who after 10 centuries in Bosnia, through no fault of their own, found themselves at the end of a soccer field, driven out by those with whom they had passed those centuries. But the Split correspondent could not resist making petty political hyperbole from the human suffering of the Bosnian Croats, and in it we can read, for example, that during their aggression against the Croats the Muslims "destroyed more Catholic churches" than the Serbs. This foolishness is probably a consequence of being poorly informed, and not of bad intentions (or, God forbid, of courting the Serbs), but even as it is it destroys in the minds of ordinary people who will read the article the hundreds of Catholic shrines into which the Serbs have sent their artillery shells (for example, nine churches have been damaged more or less in Sarajevo alone). To a journalist who remains far from the scene of the event, who in mind and heart is far from Bosnia, it makes no difference whatsoever that the Chetniks in the last 15 months have destroyed more Catholic churches than there are in central Bosnia within range of the "mujahedin who have gone wild."

Forgetful Journalists

In another article, published in SLOBODNA DALMACIJA, we read about the Ottomans, the warriors of the jihad and the mujahedin, about whom the author writes so expressively and so vividly that one gets the impression that he has just come back from central Bosnia. As it was in the 15th or 16th century. And he has not heard that the Ottomans left Bosnia and Herzegovina in 1878, driven out by the local Muslims in fact. Before the article in SLOBODNA DALMACIJA, the Ottomans have appeared in recent times only in NIN, POLITIKA of Belgrade, and in the writings of Serbian academics and their gusle-playing fellow travelers.

In a third newspaper, it no longer matters which, we read that "Muslim aggression has exceeded many times over what the Serbs did in the previous year all over Bosnia and Herzegovina." The argument is made that Islam is

dangerous in these parts, the Koran is proclaimed a "copied" book, Kacic's epic is referred to, and any illusion the reader might have about a conclusion of peace with the Muslims (or, God forbid, an alliance) is shattered. The argument is made, one which we have consumed from the Serbian media for years, that Christianity must unite to protect itself against Islam.

Anyone who read all those papers with his morning coffee and who has never seen Bosnia, nor (like most of the journalists who write about it) taken pains to learn anything about it and its nationalities, and who believes these newspapers implicitly, is going to get right up and go out to find two or three Muslims, give them a good beating, and then send a telegram of greetings to the Bosnian Serbs to thank them for everything they are doing for the Croats. At the same time, he probably will be a bit confused about the Bosnian Serbs being so good and the Croatian Serbs so bad. That is, the one is so magnanimously receiving the Croats who have fled from the Islamic monster, while the other has been so malicious in hitting Zadar and Biograd with artillery shells and missiles. And they are also threatening to unite with the Bosnian Serbs and break up Croatia. What will happen with the union of the bad Croatian Serbs and the good Bosnian Serbs? Will the ones here become as good as those there, or will it happen the other way about?

No one is going to be able to give the reader an answer to such questions, because the journalists will continue to pretend to be innocent. But readers who are intelligent and penetrating enough will nevertheless conclude in the end that the Serbs are becoming good only because the Croats are being driven out by some third party. And because in Croatia there is no such third party (unless the UNPROFOR is considered a third party), then it is not very likely that in the short-term future the Serbs will be good and will welcome the Croats "with bread and salt," as they did in Srbobran, which incidentally was previously called Donji Vakuf, and in which, for the information of journalists who write from their office, there was once a Muslim-Croatian majority, but even that has been quite regularly (regardless of the cross or crescent) killed or driven out. In that same Srbobran, i.e., in Donji Vakuf Opcina, several Catholic churches were destroyed in passing, but who is any longer interested in that today. Today, now that the Bosnian Serbs have become so good that even a few official representatives of the Croatian Community of Herceg-Bosna have been known to thank them for their good deeds.

Alija's Failed Policy

The reasons why the Muslims drove out the Croats and set fire to their homes do not lie, as the lazy journalists would like to think, in history, nor have the Muslims, with whom just yesterday we tied our national flags into a knot, suddenly become Ottomans, nor are there grounds for creating anti-Muslim and anti-Islam hysteria (it is, after all, hysteria to draw a swastika on the Muslim flag flying over some minaret). The Muslims attacked the Croats out of a desperation that has been prefigured for a long time, which no one has wanted to recognize, but also because they are headed by people who from the outset have been making moves that are politically autistic, and have been harming most the Muslim people.

The crimes being committed in central Bosnia are not being committed in the name of Islam. It is difficult to believe, for instance, that Enver Hadzihasanovic, commander of the Zenica Corps, even knows any Islamic prayer, because no earlier than May of last year he was a loyal officer of the "JNA [Yugoslav People's Army]" and took part in the first attacks on Sarajevo. The crimes are being committed in the name of a policy which, when it became aware of its erroneousness, became very dangerous for everyone except those against whom it should have been directed. But all of that together provides no reasons for calling up Ottomans and janissaries and drawing swastikas where they do not belong. Especially because those things will not offend Muslims alone (and those who do not wish to take over the terminology of the Serbian press), but they could be very offensive, for instance, also to the Turks, whose friendship is a Croatian strategic interest, and it ought not to be shattered out of pure idleness and ignorance.

In addition, no one did anything for the Bosnian Croats who were in Poljud except those who helped them to survive. And they probably do not have the time to make a list of the epithets invented long ago by the Serbian mind and which, let us call things by their right names, have in recent years been fraternally fired off against the Croats and Muslims along with the artillery shells.

Peterle Rejects 'Public Polemics' by Valentic

AU1407085793 Ljubljana Radio Slovenia Network in Slovene 0500 GMT 14 July 93

[Text] The Croatian leadership has reacted sharply to the decision of the Slovene Government to temporarily withdraw a draft friendship and cooperation agreement between Slovenia and Croatia. At the news conference marking 100 days of his cabinet, Croatian Prime Minister Nikica Valentic stressed that Croatia favored good cooperation with all its neighboring countries. As he said, Zagreb will insist on dialogue with Ljubljana even in the future, however, it will not beg anyone for friendship, not even Slovenia. According to Valentic, the Croatian Government must preserve its dignity.

Slovene Foreign Minister Lojze Peterle responded to the sharp reactions in Zagreb last night. He expressed regret that Croatian Prime Minister publicly polemicized with the political views of individual [Slovene] deputies, that is, with views that the Slovene Government and the majority in the Parliament also reject.

The signing of the agreements regulating relations in trade and economy and in property and the legal sphere is nevertheless more important for good neighboring relations than a general agreement on friendship, Peterle stated.

SLS Rejects Unification With Christian Democrats

AU1307150493 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 13 Jul 93

[Text] The Executive Committee of the Slovene Peoples Party [SLS] yesterday discussed an initiative of the council of the Slovene Christian Democrats [SKD] for unification of the two parties. The SLS proposed cooperation with the SKD at the level of clubs of deputies and policy councils toward the end of last year. This initiative continues to be topical, although there has been no reaction from the SKD so far. Last December, the SLS Main Committee rejected a proposal to unite. The Executive Committee has now concluded that the reasons for such a decision still exist and, therefore, does not support unification but negotiations about various ways of cooperation.

The SLS expects the leaderships of the two parties to meet shortly and clarify the controversial matters that are hindering cooperation, such as the SKD joining the government coalition, the SKD's position on the confidence motion in Legislation Minister [Kozinc] and the clarification of various affairs, and the SKD's negative attitude toward farmers' protests.

The SLS will continue to favor future cooperation between these parties with similar programs, which will facilitate the formation of a government coalition with a program. The SLS Executive Committee yesterday requested that the retail prices of basic foodstuffs should be put back to the level prescribed by the government decree. The committee favored prompt and efficient measures to overcome the consequences of drought and a consistent implementation of the agreement between the representatives of the farmers and the Slovene Government. The SLS Executive Council also supports the activities of the National Alliance within the SLS, which has suggested changes to the Citizenship Law and solutions for the new local self-government. The changes are supposed finally to bring about a reaffirmation of citizens' interests and a reduction in administration.

Interior Minister Admits Nation's Arms Smuggling

LD1307130993 Belgrade TANJUG in English 1115 GMT 13 Jul 93

[Text] Ljubljana, July 13 (TANJUG)—Slovenian Interior Minister Ivan Bizjak has admitted that as early as 1990 this former Yugoslav republic began to smuggle arms, allegedly, at first "for its own defence" and later for sale.

Bizjak, in a statement to the Ljubljana DNEVNIK DAILY, justifies the smuggling by preparations for the defence from alleged aggressors, and, in this way, affirms that back in 1990, or one year before this republic seceded from Yugoslavia, the Slovenian political top worked out a detailed plan on the secession from Yugoslavia and its disintegration.

Slovenia was first to secede forcibly from Yugoslavia in 1991, while Croatia, Bosnia-Herzegovina and Macedonia followed.

Bizjak indirectly confirmed that Slovenia in 1991 smuggled arms to Croatia where a war broke out between Croatian secessionists and the then Yugoslav people's army. Later it smuggled arms to Bosnian Moslems engaged in a conflict with local Serbs and Croats.

Federal

Milosevic Conditions FRY, CSCE Cooperation

LD1407082593 Belgrade TANJUG in English 1714 GMT 13 Jul 93

["Pool" item]

[Text] Belgrade, July 13 (TANJUG)—President of the Yugoslav Republic of Serbia Slobodan Milosevic said on Tuesday that cooperation between Yugoslavia and the Conference on Security and Cooperation in Europe (CSCE) could proceed only on an equal footing.

Milosevic made the statement in a meeting with a delegation of the European Democratic Union (EDU), an association of European Christian Democratic, Conservative and kindred parties.

The delegation, headed by EDU President Andreas Kohl of Austria, arrived on a two-day visit to Yugoslavia on July 12 to gather data for a report on the situation in the territory of the former Yugoslav federation. The report should be submitted to an EDU meeting in Budapest on September 1-2.

"We respect the principle of universality of human rights and freedoms, as well as the legitimate interest of the international community for their implementation. In that sense, we are not bothered by the presence of CSCE monitors, but we believe that (readiness for) cooperation should be expressed on both sides and that equality is the principle for which there can be no exemptions," Milosevic told Kohl.

The EDU delegation was told that Yugoslavia did not suspend a CSCE mission operating in its territory, but that its eight-month mandate had expired and a new mandate had not been negotiated, a statement released from the Serbian president's office said.

In that context, Yugoslavia, as one of the founding members of the CSCE, expects the same treatment as the other member states in all CSCE bodies, explained Milosevic.

The mandate of CSCE missions investigating the situation concerning human rights in the provinces of Kosovo-Metohija and Vojvodina, and the region of Raska—all parts of Serbia with large ethnic Albanian, Hungarian and Muslim communities—expired at the end of June. Yugoslavia refused to renew the mandate unless its membership of the CSCE was restored.

The CSCE suspended Yugoslavia's membership in 1992 following the introduction of comprehensive international sanctions against Yugoslavia over its alleged involvement in the civil war between local Muslims, Serbs and Croats in the former Yugoslav republic of Bosnia-Herzegovina.

Milosevic told the EDU delegation there was no reason to fear that a conflict might be provoked in Kosovo-Metohija, predominantly populated by the ethnic Albanian minority, by any action taken by the Republic of Serbia because Serbia, just like any other country, had no motive at all to provoke riots in its own territory.

He also said that judging from the experience so far, all conflicts (in Kosovo) had been exclusively provoked by terrorist groups of the ethnic Albanian separatist movement. "Kosovo is a part of the Republic of Serbia open to all visitors. However, all questions relating to its status are an internal affair of the Republic of Serbia regulated by its constitution," emphasized Milosevic.

Commenting on the situation in Bosnia-Herzegovina, where a brutal civil, ethic war and religious war has been raging for the past 16 months, the two sides agreed that proposals for a confederal organization of that former Yugoslav republic represented a solid basis for a political settlement which a large section of the international public had welcomed as the framework for regulating the future relations between the three Bosnian communities.

They also said they hoped that the internationally mediated Bosnia peace talks would resume as soon as possible.

The EDU delegation on Tuesday also met with the speaker of the Chamber of Citizens of the bicameral Yugoslav parliament, Radovan Bozovic, and a delegation of the parliament's foreign policy committees headed by Borislav Jovic.

Report Views Results of G-7 Summit in Tokyo

AU1407082193 Belgrade BORBA in Serbo-Croatian 9 Jul 93 p 2

[Unattributed report: "Preventive Measures Against International Conflicts"]

[Text] In the political declaration issued yesterday in Tokyo by the heads of states and governments of the seven most developed countries in the world, a conclusion was drawn that the instability of the international situation and regional conflicts have multiplied and increased even further. They supported the endeavor of the United Nations to solve the problems in the world by implementing preventive diplomacy and deploying peacekeeping forces, and also supported the further strengthening of the role of the United Nations.

They further supported the observance of human rights and warned of growing problems with refugees, immigrants, and endangered national minorities. The declaration also contains a special warning to countries that back terrorism.

A particular item of the declaration was dedicated to the support of reforms in Russia, conducted by the government of President Boris Yeltsin. On the other hand, Russia has been warned to improve its diplomacy based

on principles of law and justice, which is a formulation introduced at the last summit in Munich. This conclusion actually met Japan's demand for Western support in Japan's dispute with Russia regarding the disputed Kuril Islands, which had been occupied by the Red Army at the end of World War II. In this point the hope has been expressed that Russia will continue to play a constructive and responsible role in the international community, that is to say, to cooperate with the West in settling international problems, including the conflict in former Yugoslavia. The hope has also been expressed that relations between Russia and Ukraine will improve.

The sixth item of the declaration dealt with the dangers of nuclear arms proliferation, particularly emphasizing the problem that ensued from the decision of North Korea to withdraw from the international treaty on the nonproliferation of nuclear weapons. The former Soviet republics that are in possession of nuclear arms are required to ensure the control and safe elimination of those arms.

Comprehensive Seventh Item

Apart from the comprehensive seventh item, referring to Yugoslavia, there is the eighth item of the declaration, referring to Cambodia. It praises the successful elections and supports reconstruction, peacekeeping, and national reconciliation. The Western leaders interceded for the accomplishment of a lasting peace in the Near East, they demanded from Israel and the Arab countries to continue reestablishing trust in one another, while it was particularly demanded from the Arab countries to stop the boycott of Israel.

After they had expressed support for the establishment of a legitimate government in Haiti, the leaders promised to continue to exert pressure on Iraq and Libya until they fulfill the requirements specified by the UN resolutions. The leaders also expressed concern about the behavior of Iran in international relations, while Iran's government was urged to take part in the international efforts aiming at the preservation of peace and stability. At the end, the South African development toward a nonracist democracy was very well appraised, while an assessment was also made that South Africa makes its way through many obstacles in order to resume its place in the international community.

Yesterday, on the second day of the summit in Tokyo, the rich Western industrial countries announced the fight against unemployment that had increased greatly in all seven countries in the last several years. The report by the finance ministers of the G-7 underlined that the structural reforms have a vital importance for the stimulation of economic growth and employment in the industrially developed countries of the West. The structural unemployment, that is a massive unemployment lasting already many years, was stressed as a particular problem. The report by the finance ministers emphasized that the average rate of unemployment increased more than twofold in relation to the rate in the 1960's.

Labor Market

The rapid aging of the population in those countries was stressed as a particular problem. The finance ministers demanded reforms in the field of labor market that would make possible hiring of the elderly.

Official Denies Suspending CSCE Mission

AU1307194293 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 13 Jul 93

[Interview with Nikola Cicanovic, assistant to the Federal Republic of Yugoslavia's foreign minister, by Tatjana Lenard in Belgrade on 13 July—recorded]

[Text] [Lenard] Nikola Cicanovic, assistant to the FRY foreign minister, has just returned from Stockholm, where he was talking to CSCE representatives about future relations between Yugoslavia and this international forum.

Mr. Cicanovic, what did they demand of you this time?

[Cicanovic] Well, you were right when you said this time. You see, they first demand that we do things and believe that we should do what they request, yet they have made the decision to suspend us from participating in the CSCE's work. This time they proposed a dialogue, and our government accepted in order to be able clearly to present our desire to cooperate, primarily with the CSCE.

We want them to know that the FRY Government is willing to cooperate with the CSCE, but a normal, equal cooperation of a participant in this European process, which is called a conference, not an organization, of the CSCE. [sentence as heard]

They requested that we extend the mandate and duration of the CSCE mission in the FRY, which, as you know, expired on 28 June. The government considered this, and it decided that since the CSCE was not ready to accept our long-standing offer of cooperation, this mandate could not be extended under such unequal conditions.

[Lenard] So, we have again made it clear that we have nothing to hide, that we would have nothing against extending this mandate, provided that Yugoslavia is reintegrated into the CSCE, into its institutional forums in an appropriate manner, that is, that it has the right to participate in a debate over the findings of such a commission, or mission?

[Cicanovic] Exactly. You said we had nothing to hide. If it is suspected that we do have something to hide, let it be said that in the past few months alone, in Kosovo and Metohija, there were about a hundred missions of various kinds. There were over 800 foreign journalists in this area alone. Therefore, this is a sign that we really do not have anything to hide, and I believe that no one has the right to suspect that we do.

Second, regarding the expiration of the mission's mandate, we have not suspended this mission, which is unfortunately what a lot of the media throughout the world reported. They say we have suspended the mission, that we do not want cooperation, that this is a case of the further isolation of Yugoslavia, and so forth. These things are simply not true. That is why these talks in Stockholm were a good chance for us to be very clear and say that we are offering cooperation. Instead of accepting this, they are further condemning us, they offer and draw up mechanisms for further and more efficient implementation of the sanctions, and so forth. This happened in Prague for example, at the last meeting.

[Lenard] The CSCE is now proposing [sending] a troika, an ambassadorial troika, which would be a kind of institutional form of negotiating with Yugoslavia. Do you think that this is progress?

[Cicanovic] I have talked to this troika, this so-called troika in Stockholm. They are the present, future, and former chairmen of the CSCE. Therefore, we are certainly ready for a dialogue and talks, and we hope that they have also realized that this can only be realized on the basis of full equality.

[Lenard] Thank you.

[Cicanovic] Thank you.

Serbia

Minister Expects 3.6-Million-Ton Wheat Yield

AU1407074493 Belgrade Radio Beograd Network in Serbo-Croatian 0200 GMT 14 July 93

[Text] Serbian Agriculture Minister Jan Kisgeci at the session of the Serbian Assembly stated that 75 percent of all the fields under wheat have been harvested so far. The average yield amounts to 3.6 metric tons per hectare. An overall yield of 3.5 million tons is expected. Of the planned 2 million tons, 641,000 tons of wheat have been purchased from the farmers so far. The Serbian Prime Minister stated that none of the farmers should hope to get 25 pfennigs per kg of wheat.

Kosovo

Albanian Prisoners Begin Hunger Strike

AU1407122393 Pristina KOSOVA DAILY REPORT No 139 in English 13 July 93

[Unattributed report: "Albanian Prisoners Go on a Hunger Strike in a Prison House in Nis"—issued by the Democratic League of Kosova]

[Text] The Prishtina-based Council for the Defense of Human Rights and Freedoms (CDHRF) reports that all Albanian prisoners, including political prisoners, who are serving their prison terms in the Nis Prison have been recently put in confinement ("isolation").

All the Albanian prisoners who had asked to be transferred to prison houses in Kosova in order to serve out their terms have gone on a hunger strike on 8 July 1993 as their request was rejected and they have undergone maltreatment. Moreover, some of those who asked for a transfer to Kosova were sent to other prisons in Serbia and Vojvodiha.

As reported, the Albanian prisoners are being denied visits from their relatives as well as packages.

Economy 'Suffered Great Losses' This Year

AU1407121893 Tirana ATA in English 1017 GMT 14 Jul 93

[Text] Tirana, July 14 (ATA)—Serbian violence is also ruining Kosova's economy, which suffered great losses in the first six months this year. The violent measures applied in the last three years in more than 400 Kosovar collectives are as follows: hundreds of collectives are now closed and liquidated, whereas those remaining yield no positive effects. Kosova's economic giants, such as "Trepca," are as well completely destroyed. The same situation is also found in "Ferronikel," whereas the hydropower stations "Kosova B" are not operating. The hydropower stations "Kosova A" continue a minimal productivity. This economic ruin was a result of the dismissal from work of more than 120 thousand Albanian workers. Now, another 50 thousand workers are under the so-called "Obligatory dismissal," because they have no work.

Even those workers who continue working are under a very grave situation. This is also admitted by the Serbian official authorities, who made known that the average wages in Kosova in May amounted to 8.8 million dinars, which are not equal to three German marks, either.